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# Addressing Vision Challenges within the Lean Startup Approach: A Qualitative Study of Startups

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# Abstract

In this research, we explore the interactions of startups and their strategic responses to challenges associated with their vision. The central focus lies in explaining the role of the Lean Startup methodology as a base for startups navigating uncertainties, particularly those related to the three vision development paths. Through an analysis of literature and interviews with startup founders and experts, this method identifies and clarifies key Lean Startup principles and their practical applications in real-world situations. The qualitative component involves firsthand interviews with a sample of startup founders and coaches, providing detailed information about their experiences and challenges related to vision.

The study reveals that within the Lean Startup approach, continuous learning and adaptability turn out as main elements, offering startups to effectively navigate uncertainties surrounding their vision. Repeated development processes and the inclusion of customer feedback are instrumental strategies for success. The importance of quick learning cycles and the creation of Minimum Viable Products aligns with the Lean concept of continuous improvement.

In summary, this study, which uses both interviews and existing literature, deepens our understanding of the background and principles of the Lean Startup methodology. At the same time, it offers practical advice for startups facing issues with their vision and long-term goals. The insights from this research can be a helpful guide for founders, stressing the importance of smoothly blending Lean principles and maintaining a constant connection between vision and methodology.



**Keywords**

Lean Startup, Vision, Startups, Pivot, Minimum Viable Product (MVP)

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# Glossary

| Term | Definition |
|---|---|
| **Entrepreneurial journey** | "[…] the entrepreneurial journey comprises the sequential encounter and institution of information – through actions and interactions – that becomes embedded in the final product." (McMullen & Dimov, 2013, p.1493 |
| **Lean Startup** | "[…] the lean startup process is defined as an approach to entrepreneurial and innovative activities that emphasizes placing resources into the creation of customer value, viewing all other activity as waste until a fit is found between the product and the intended market." (York & Danes, 2014, p.21-22) |
| **Minimum Viable Product** | "The 'minimal viable product' (MVP) is a version of the product that allows innovators to test one or more key assumptions with the least effort." (Cook et al., 2022, p.168) |
| **Startup** | "[…] startups are companies set up to test business models developed around new ideas, typically, proposed by a number of co-founders or team members." (Salamzadeh & Kawamorita Kesim, 2017, p. 456) |
| **Vision** | "A vision is a guiding concept for what an institution is trying to do and to become." (Calder, 2014, p. 4) |
| **Vision drift** | "An organizing vision experiences drift when currents in the innovation discourse maintain the active interest of the innovation community around the theorized organizing vision but also create eddies so that the vision does not gain sufficient momentum to mobilize widespread adoption." (Davidson et al., 2015, p. 207) |

# 1. Introduction

In the world of startups, the odds are stacked against success. Studies show that nine out of ten startups face the chance of failure, falling victim to the many challenges of the highly competitive market. This harsh reality shows the need for innovative strategies and resilience. In this tough environment, good communication is a major factor regarding the success of startups. Research indicates just how crucial it is to support good communication and adaptability for their success (Salamzadeh & Kawamorita Kesim, 2017). Startups in particular, must prove their capability to survive in a market characterized by growing competition, to effectively overcome these barriers (Garg & Shivam, 2017).

Addressing these difficult circumstances, the Lean Startup approach has gained a lot of attention as a method that helps organizations to become more agile and flexible. This method emphasizes the importance of continuous development, rapid experimentation, and validated learning. It provides startups with a framework to navigate the uncertainties, which can be found in the entrepreneurial journey of a company while also maximizing the chances of success (Ries, 2011).

The entrepreneurial journey holds great importance when it comes to building a business. It involves a series of dynamic actions and interactions anticipated by entrepreneurs themselves. Driven by creativity and their vision, entrepreneurs take unpredictable but strategic steps to transform an opportunity into a successful venture. Along this process, real value gets created, not only for themselves but also for their customers and the market at large. The entrepreneurial journey is a path of discovery, growth, and innovation (Cha & Bae, 2010), where individuals and social structures integrate novel information over time through actions and interactions. This journey peaks in the creation of new products or ideas, contributing to economic value and reflecting the process of information integration in entrepreneurship (McMullen & Dimov, 2013). However, the process of this journey depends on the visionary direction an organization chooses to follow. The direction refers to the long-term path and guiding vision that an organization sets to achieve its goals and objectives (Tipurić, 2022).

However, one critical obstacle that often shows during the entrepreneurial journey is the unpredictable incidents and the always-changing business environment (Altıok, 2011). Without a well-defined strategy, which provides a competitive advantage, organizations are most likely to become directionless and are unable to foresee potential crises and challenges (Altıok, 2011). Other literature states that startups fail because entrepreneurs often still use

traditional management approaches such as extensive planning, solid strategies, and thorough market research. However, these methods are not suited for startups operating in an environment of uncertainty. Startups are characterized by a lack of knowledge about their customers and the ideal product, and the rapidly changing world makes it difficult to accurately predict the future. Therefore, relying mainly on traditional management methods can lead to failure. Furthermore, some entrepreneurs and investors, who are disappointed by the shortcomings of traditional management, may adopt a "Just Do It" mindset. They believe that a lack of structure and planning are the answers to the challenges faced by startups (Ries, 2011).

To address the challenge of dealing with uncertainties a necessary first step is to begin conversations about the organization's vision. Even though the Lean Startup method doesn't clearly outline how to come up with your initial idea, it emphasizes the importance of having a clear vision when starting a business. After your vision is settled, the next step is to make it into clear, testable ideas. This means using a scientific approach to figure out the assumptions behind your business vision (York. 2020). Bennis and Nanus (1985) state: *"*To choose a direction, a leader must first have developed a mental image of a possible and desirable future state of the organization… which we call a vision […]" (p.89). Vision plays a vital role in maintaining focus, while also driving improvement efforts (Kilpatrick & Silverman, 2005). A clear organizational vision is crucial for motivation and innovation among team members, yet its absence can lead to uncertainty and stagnation (Syrett & Devine, 2012). However, differing perspectives exist on the necessity and effectiveness of a clear vision, with some arguing it fosters doubt among stakeholders (Paine et al., 2023)

There are three common vision development paths organizations tend to follow: they may either lose, maintain, or change their vision during their journey. Furthermore, by prioritizing short-term experimentation and improvements based on customer feedback within the Lean Startup approach, Ries (2011) states that there is a risk that startups may lose sight of their long-term vision when testing innovations. "The second challenge, as in all entrepreneurial situations, is to perform strict testing without losing sight of the company's overall vision." (p.81). Another essential concept in this context is pivoting, which refers to the process of implementing significant changes within the organization. Typically, these changes occur after decisive tests have challenged and invalidated hypotheses (Ries, 2011). Entrepreneurial pivoting involves significant adjustments to a venture's time and relationship commitments when faced with new opportunities or unresolved issues. This process leads to a more flexible and open future, with a redefined understanding of the past (Berends et al., 2021). However, there is a gap in the literature regarding the development of a strategic framework specifically

designed to navigate vision challenges within the Lean Startup approach, which will be addressed further in this paper.

This leads us to the research question of this thesis:

How does using the Lean Startup approach influence the three vision development paths?

The proposed framework in chapter five, created based on the interview outcomes, aims to enable entrepreneurs and managers to effectively navigate uncertainties related to vision challenges. It is designed to assist innovation while maintaining a clear direction. By proposing a framework, this research seeks to contribute to the body of knowledge surrounding the Lean Startup approach while enabling entrepreneurs to navigate uncertainty and sustain long-term success.

This thesis employs a qualitative methodological approach, specifically using a case study methodology. The research involves analyzing relevant literature, examining case studies of companies that have experienced vision challenges, as well as those that have not, and conducting expert interviews. In some cases, it also occurs that companies change their vision within the process which is also a crucial point of view for the following analysis. This comprehensive approach provides insights into the challenges and potential value associated with vision in the Lean Startup context. By studying these types of companies, valuable lessons can be learned, highlighting pitfalls to avoid and best practices to maintain a strong strategic direction. This comparative analysis enhances the understanding of factors contributing to sustained success and effective navigation of uncertainties. The findings will inform the development of a strategic framework to address vision-related challenges for entrepreneurs and organizations.

Throughout the research process, theories related to Lean Startup methodology, vision, and their relationship will be analyzed concerning the research question. Additionally, the methodology of this thesis will be discussed, including the study's setting, subjects, data collection methods, and data analysis techniques. The results of the conducted case study and observations will be presented and analyzed. Lastly, the outcomes will be discussed, and the limitations of this research will be addressed.

# 2. Conceptual Background

## 2.1 Lean Startup methodology

The Lean Startup approach by Eric Ries finds its origin in the concept of the *Lean methodology*. According to Womack and Jones (1997), the core principle of *lean* is to focus on creating value for the customer while minimizing waste in all its forms. The two authors argue that waste exists in various activities and processes within organizations, including overproduction, defects, waiting time, and overprocessing. By identifying and eliminating these wastes, companies can optimize their operations, improve quality, reduce costs, and deliver greater value to customers. Furthermore, the authors advocate for a shift in thinking from traditional mass production approaches to lean thinking. *Lean* promotes the idea of continuous improvement and respect for people, involving employees at all levels in identifying and solving problems to achieve better results. The significance of value stream mapping, which involves analyzing the entire flow of activities from raw materials to the customer, identifying value-added and non-value-added steps, and finding opportunities for improvement and waste elimination is also highlighted in the literature (Womack & Jones, 1997).

Later Eric Ries (2011) popularized the Lean Startup methodology, which is specifically adjusted towards startups and entrepreneurial ventures. This method involves transforming an entrepreneurial vision into testable hypotheses for a new product and its associated business model. These hypotheses are validated using prototypes and minimum viable products, which are carefully designed to confirm the viability of specific product features or business model components. The core idea is to address a particular customer problem by shaping a unique solution (Rasmussen & Tanev, 2015). The literature emphasizes that startups should remain flexible and be willing to adjust their initial vision and plans based on new information. Pivoting allows startups to make significant changes to their product, target market, business model, or other key elements to find a better fit with customer needs and market dynamics. Whereas the starting vision of a company hardly ever changes during the pivoting process (Ries, 2011).

The literature proposes that the concept of Lean Startup consists of these five principles:
1. *Entrepreneurs are everywhere* 2. *Entrepreneurship is management* 3. *Validated learning* 4. *Build-measure-learn* and 5. *Innovation accounting* (Ries, 2011).

Firstly, it recognizes that entrepreneurs can be found anywhere and not just limited to traditional garage startups. After that, it emphasizes that entrepreneurship requires a unique management approach, treating a startup as an institution rather than only focusing on the

product. Thirdly, the Lean Startup approach underlines validated learning as a central objective. Startups exist not only to create products or generate revenue but primarily to learn how to build a sustainable business. This learning is achieved through scientific validation, using experiments to test each element of the startup's vision (Ries, 2011). The fourth principle involves adopting a new way of measuring progress and prioritizing work. Startups require a specific form of accounting that matches their context and needs. Lastly, the Lean Startup approach promotes the adoption of the Build-Measure-Learn feedback loop (Figure 1). This process involves transforming ideas into products, measuring customer responses, and then deciding whether to pivot (make significant changes) or persevere (continue with the current direction) (Tanev et al., 2015).

Literature by Fayolle (2007) talks about how entrepreneurs turn ideas into opportunities. The author says that as businesses grow, their goals become clearer and more stable. It is suggested that entrepreneurs should begin by understanding what people need and what opportunities exist in the market. This idea matches the Lean Startup approach of focusing on customer needs first. Fayolle also says that it is important to keep the company's vision in mind at every step of the process. He recommends regularly checking if the vision still fits with the market, similar to the Build-Measure-Learn cycle by Ries (Figure 1).

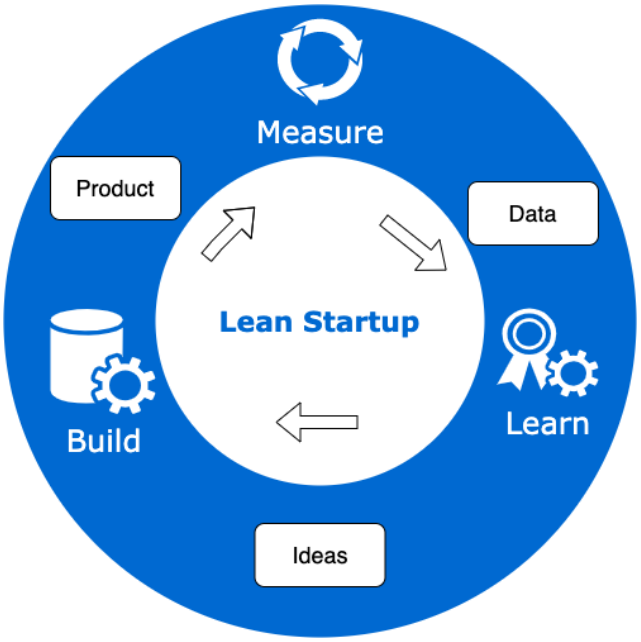


*Figure 1: Build-Measure-Learn cycle by Eric Ries (2011)*

The Build-Measure-Learn cycle is a popular concept in the Lean Startup approach, as described by Eric Ries (2011) (Figure 1). It is a continuous feedback loop that enables startups

to rapidly test and validate their ideas, work on their products, and make data-driven decisions. This concept consists of three steps: 1. Build 2. Measure and 3. Learn.

Startups build a Minimum Viable Product (MVP), which is the most basic version of their product that delivers the core value proposition. The focus is on developing the product quickly and efficiently while offering speed over perfection. The goal is to create something tangible that can be tested and validated. Once the MVP is built, startups measure how customers interact with the product. This involves collecting relevant data to assess its performance. Startups use various tools and techniques to gather information about user behavior, engagement, and satisfaction. The measurements aim to provide insights into how the product is meeting customer needs and whether it aligns with the startup's goals. Based on the measurements and data analysis, startups learn from the feedback. This learning phase involves analyzing the data, identifying trends, and drawing conclusions about what works and what does not. Startups pay attention to customer feedback, market dynamics, and other relevant factors to understand how the product can be improved or adapted (Cook et al., 2022).

While the Lean Startup approach offers a variety of advantages for companies, it has also raised concerns and gained criticism from experts. The first criticism is about the wrong application of the lean principles. The Lean Startup approach was originally made from lean manufacturing principles for continuous improvement and innovative optimization of products (Blank, 2013). Applying these principles to startups can be problematic because startups often aim to create radically new products and industries, which are different from the incremental improvements aimed for by lean manufacturing (Felin et al., 2019).

The second drawback of the Lean Startup approach relates to its reliance on fast customer feedback and interaction (Ries, 2011). This approach assumes that customers naturally have a clear understanding of their needs and wants, which may not be entirely true, particularly for great innovations. Relying too much on customers' opinions can accidentally push startups toward making small improvements rather than trying to create completely new and relevant ideas (Felin et al., 2019).

Another critical point of the lean startup approach is that it suggests experimenting with different things (Ries, 2011), but does not provide the right tools and framework for startups to build a strong foundation for their innovations. This could lead to an innovation process without a clear plan, which can waste resources and time (Felin et al., 2019).

Summarizing all this information about the Lean Startup approach one can state that it underlines the importance of reducing waste, optimizing operations, and creating value for customers. This implies that organizations can maintain their vision by minimizing inefficiencies and waste in their processes. Lean thinking promotes continuous improvement, involving employees at all levels in problem-solving. Therefore, organizations need to maintain a culture of improvement and employee involvement in order to stay on track with their vision.

## 2.2 Vision

“Vision is a future image of the company“ (p. 62), which is the definition by Altıok (2011), to explain the term vision. It should represent a clear understanding of the current situation and outline the desired future state of the company. Vision is not an unreachable dream but rather a practical and realistic approach to realizing the ideal future situation. Strategic vision, from a management perspective, needs to consider multiple factors like market conditions, competition, technology, economy, regulations, and societal trends, while also aligning with the organization's available resources and capabilities. Literature places a strong emphasis on the importance of vision for entrepreneurs. The author believes that having a clear and compelling vision is a key aspect of building successful and transformative companies. Literature argues that visionary thinking is crucial for entrepreneurs because it enables them to identify unique opportunities and create something entirely new (Thiel, 2014).

One of the primary purposes of vision in organizations is to define goals and objectives with clarity. Ries states (2011) that a vision can also act as a so-called true north for startups: “Startups also have a true north, a destination in mind: creating a thrive and world-changing business. I call that a startup’s vision.” (p.22).

It provides a planning projection that fosters a long-term perspective, motivates employees, and creates synergy within the organization (Altıok, 2011). When a well-defined vision is shared among all team members, it can have a great impact on the organization and its performance (Berson et al., 2016). A shared vision has the power to unite and engage members within an organization, creating a sense of connection and commitment toward a collective future. This shared vision plays a crucial role in helping companies address the challenges of integrating sustainability into their strategy, culture, and operations (Senge, 1990).

One framework for the concept of vision within an organization was created by Collins & Porras (2008). This model highlights the significance of vision in organizational success and

disproves the concept that charisma is a requirement for visionary leadership. By focusing on building an organization with a clear and shared vision, rather than relying on an individual leader's charisma, organizations can proactively shape their future and achieve sustainable growth and success (Collins & Porras, 2008). Charisma in this context is defined as a relationship between a leader and their followers, characterized by leader behaviors such as declaring a vision, demonstrating determination, and communicating high-performance expectations (Waldman et al., 2001).

Achieving an organization's vision is a complex process that involves various factors. One influencing factor is the leadership style. Extensive literature suggests that visionary leaders play a crucial role in shaping an organization's vision and establishing a strategic framework (Westley & Mintzberg, 1989). These leaders have the ability to express the vision clearly and create a sense of direction for the company. They also have the power to bind followers to the organizational vision, strategy, and goals by promoting the core values of the organization. By illustrating these values, leaders affect their employees to align their actions with the organizational vision (Katz & Kahn, 1978).

Another factor influencing a company’s vision is the personal traits of a leader. A study by Sosik and Dinger (2007) identified these three main attributes: Need for social approval, Self-monitoring, and need for social power. A leader's need for social approval can significantly influence their vision. Leaders with a strong need for social approval are more likely to emphasize consensus-building and gaining support, which often results in instrumental vision themes that focus on practical goals. On the other hand, leaders with a low need for social approval may be more authentic and values driven. This can lead to inspirational vision themes, which reflect their personal beliefs (Crowl, 1984). High self-monitors tend to be emotionally expressive and adaptable in their communication, which can lead to more inspirational vision themes. These leaders are skilled at adapting their message to the audience. Low self-monitors, on the other hand, are linked to contingent reward leadership, emphasizing rational and functional exchanges of rewards (Sosik, 1998). Literature suggests that leaders with a high need for social power should show a wider range of leadership styles. They tend to display charismatic leadership and contingent reward leadership. This indicates that a leader's need for social power can impact the choice of leadership style and their vision (House & Howell, 1992).

While the presence of a strong leader is important, one should not underestimate the relationship between leadership and vision. Startups, for example, should not only rely on a leader to maintain their vision. Rather, a shared effort is required to ensure the sustainability

of the vision. However, charismatic leaders can significantly contribute to the protection of the organizational vision (James & Lahti, 2011). Charismatic leaders can also improve individuals' self-efficacy by showing confidence in their members' capabilities to achieve the vision. Additionally, they demonstrate persistence, motivation, and a strong emphasis on high performance, which can contribute to the long-term success of the organization (Waldman et al., 2001).

Leader focus and vision can change over time. When ensuring success, it's important to support these shifts with well-defined processes. These processes align the organization with the leader's goals. When processes adapt to the leader's changing vision, the organization becomes more agile and responsive, contributing to its overall success (Abbas & Asghar, 2010).

In summary, having a clear vision and strategic direction is considered a key aspect of building successful and innovative companies. A strong vision is fundamental for success. Furthermore, a shared vision among all team members can impact an organization's performance by engaging members and creating a sense of connection and commitment. This shared vision is really important for addressing challenges and achieving sustainability within an organization.

## 2.3 Relation between Lean Startup methodology and vision

The relationship between the Lean Startup methodology and vision is a core element of understanding the entrepreneurial process (Ries, 2011). The Lean Startup methodology stresses the importance of refining and adapting the vision based on customer feedback and market validation (Ghezzi & Cavallo, 2020). The Programme director of GCV, Tony Short, stated that “Using the Lean Startup approach, companies can create order not chaos by providing tools to test a vision continuously” (Lean Startup, 2023), emphasizing how the Lean Startup approach helps companies by setting up organized ways to regularly check and improve their vision, which ensures a well-organized path to success.

Although the Lean Startup approach does not explicitly define the original idea-finding phase, it states that having a vision is nearly unavoidable to start the entrepreneurial process. Once your vision is manifested, the next step is to turn it into specific, testable ideas. This process follows a scientific approach that involves identifying the assumptions behind your vision of the company (York. 2020).

Vision and the Lean Startup methodology are related in several ways. First, the relationship between the Lean Startup methodology and vision is driven by the hypothesis-driven approach. Lean Startups are characterized by a scientific and hypothesis-driven approach to entrepreneurship, wherein entrepreneurs transform their vision, i.e., their business idea, into testable hypotheses integrated within an initial version of a business model. Having an explicit vision empowers entrepreneurs to focus on specific customer segments that connect with their vision. It enables them to enhance their minimum viable product (MVP) to deliver value that aligns with the foreseen solution (Ghezzi & Cavallo, 2020).

Another aspect of the relation of Lean Startup and vision is the concept of pivoting. Pivoting, related to Lean Startup and vision in this way, refers to making substantial changes within the organization, typically after running decisive tests to disprove initial hypotheses. In the context of the Lean Startup methodology, pivoting emerges as a significant factor. Pivoting refers to making substantial changes within the organization, typically after running decisive tests to disprove initial hypotheses (Ries, 2011). The process of pivoting is not without its challenges. One fundamental issue lies in the potential conflict with the company's established vision. Startup founders invest considerable effort in influencing stakeholders, including employees, investors, customers, and partners, to buy into their vision. Hence, changing the course of action can be perceived as disloyalty to the initial vision. This tension between staying true to the vision and remaining flexible enough to pivot poses an intriguing dilemma for entrepreneurs (Nobel, 2011). However, it is worth mentioning that several positive aspects of the Lean Startup method are accompanied by the recognition of the significance of having a clear vision (Kullmar & Lallerstedt, 2017).

Third, the learning process and adaptation enabled by the Lean Startup approach allow startups to refine and adapt their vision in response to customer feedback and market validation. This ensures that the vision remains aligned with the evolving needs and preferences of the target customers. The ability to refine and adapt the vision based on real-time insights obtained from customers not only enhances the startup’s chances of success but also fosters innovation and the development of customer-centric solutions (Ghezzi & Cavallo, 2020).

It is important to recognize the idea of *Loss of Vision*. In the Lean Startup methodology, the vision acts as a guide for exploring new ideas. Yet, it is important to be aware that, during the process of trying and adjusting things, there is a risk of losing focus on your initial vision. This potential loss of vision highlights the challenge for entrepreneurs to find a balance. They need

to stick to their original vision while also being open to making necessary changes for long-term success (Hauch & Nourbakhsh. 2018).

Related to the concept of the loss of vision is the idea of it. Vision drift suggests that a planned way of doing things in innovation is having a hard time getting enough support. (Davidson et al., 2015). However, the current explanation of vision drift does not quite fit well with what's written in the literature. Especially when it comes to how vision drift connects with vision and the Lean Startup approach, there's a big gap in what is known. Because of this missing link, this study aims to address the lacking information through qualitative research.

The organizational vision can be at risk of being lost during this process when negative outcomes and feedback arise from testing assumptions and launching MVPs, which requires startups to take action for survival. This potential loss of vision shows the importance of aligning new insights with the original vision during the decision-making process of refining and adapting to customer feedback (Hauch & Nourbakhsh. 2018).

Figure 2 shows the relationship between the Lean Startup methodology and vision. It begins with the development of a vision, which is the foundational idea of a startup. This vision is then translated into a business model using the principles of the Lean Startup approach. This step includes various actions included in this methodology, for example, hypothesis testing, and continuous integration of customer feedback. As the innovation undergoes testing, together with the Minimum Viable Products (MVPs), and the gathering of customer insights, companies can find themselves at a critical point known as "Vision Drift". This term suggests that the originally vision might not align with the current performance. At this point, three paths emerge for the startup:

First, the startup can maintain its vision. Some companies choose to stay with the original vision, making refinements based on gathered insights and observing how the innovation unfolds over time.

Second, they can change the vision, which is also being called Pivot. Organizations may try for a pivot, adapting their vision to better align with market demands and the always-changing business environment based on the things learned during the testing phase.

And lastly, the company just lost its vision. In some instances, challenges encountered during testing may lead to a significant shift or even abandonment of the original vision.

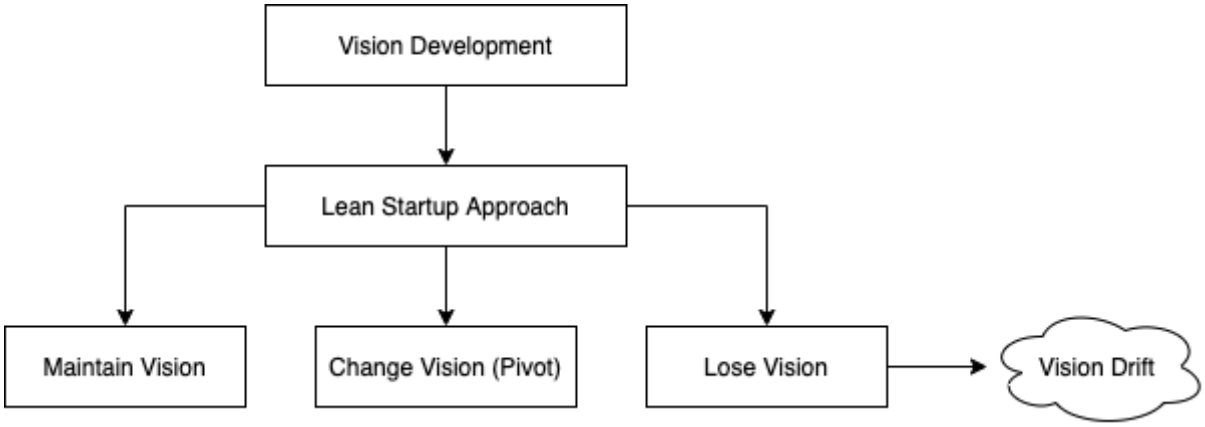


*Figure 2: Relationship between Lean Startup methodology and vision*

# 3. Methodology

This section describes the methodology used in this master thesis. The methodology chapter outlines the overall research design, case selection, data collection procedures, and data analysis techniques.

## 3.1 Research Design

The research design for this thesis involves a qualitative research approach using semi-structured interviews, particularly the inductive qualitative research design. Qualitative research is well-suited for exploring complex phenomena and providing insights into the research question (DiCicco-Bloom & Crabtree 2006). Azungah (2018) highlights the advantage of qualitative research in requiring a smaller number of participants to yield high-quality insights. Furthermore, qualitative research offers a deeper understanding of human experiences, perspectives, and social contexts. It allows researchers to explore the meaning individuals attribute to their experiences and the social processes underlying them (DiCicco-Bloom & Crabtree 2006). By conducting semi-structured interviews, this study seeks to gather detailed perspectives and experiences of participants regarding risk reduction and strategic direction in organizational development with the application of the Lean Startup approach.

## 3.2 Case selection

A purposeful sampling technique was employed to select organizations that have implemented the Lean Startup approach during their organizational development process.

Unlike random sampling, it does not rely on underlying theories. Instead, the researcher identifies what information is needed and seeks out individuals who have the knowledge or experience to provide that information (Bernard, 2017). This approach is commonly employed in qualitative research to identify and select cases that offer rich and relevant information while making efficient use of available resources. It entails choosing individuals or groups who have a deep understanding of the phenomenon under investigation (Patton, 2002). By examining the three paths, lose, maintain, or change vision, as discussed in Chapter 1, researchers can gain insights into the various factors, contexts, and strategies that influence the phenomenon under study. This comparative analysis deepens the understanding of the topic by uncovering similarities, differences, and potential contributing factors that may not be apparent from studying a single case alone. Additionally, studying different cases helps researchers validate and refine theories or frameworks by testing their applicability across diverse contexts and situations (Eisenhardt, 1989). This approach ensures capturing a variety of perspectives and experiences related to risk reduction and strategic direction within the Lean Startup context. This technique was chosen to focus on the right sample group with valuable information. The sample group will consist of around 10 to 15 Interviewees.

## 3.3 Data collection

For this research semi-structured interviews were conducted. The execution of semi-structured interviews offers a significant advantage by facilitating mutuality between the interviewer and participant, as highlighted by Galletta (2013). This approach enables the interviewer to adapt and improvise follow-up questions based on the participant's responses, thereby fostering a dynamic and interactive exchange of information during the research process (Galletta, 2013). The semi-structured nature of the interviews allows for flexibility in probing and follow-up questions, enabling participants to elaborate on their experiences and perspectives. The interviews were mainly carried out with CEO’s and Founders of companies. Also, startup coaches were interviewed to get their views and opinions from an expert perspective. Therefore, two interview guides were developed, adapted to the role of each interviewee, to ensure the achievement of valuable information from various perspectives (Appendix A and B). The interviews were being recorded and transcribed word by word for the inductive coding process using the Gioia method.

The interview questions were carefully designed to offer a thorough understanding of the Lean Startup methodology, vision, and how they relate to each other. A total of 10 interviews were carried out, conducted in German. These 10 interviews took place with six startup founders and four startup coaches. The duration of the interviews ranged from 20 to 45 minutes, with

an average duration of 27 minutes. Following the recording, each interview was transcribed using the automatic transcription function from Microsoft Teams or Amberscript. Afterward, the transcriptions were reviewed for potential errors. In cases where personal data was included in quotes, necessary redactions were made to ensure the confidentiality and anonymity of the participants. Ethical approval for conducting this research was granted by the University of Twente Ethics Committee.

### 3.4 Data analysis

The Gioia inductive coding method was used to analyze the interview data. The Gioia coding method is a qualitative data analysis approach and allows researchers to systematically organize and analyze data to identify patterns, themes, and concepts. First, meaningful quotations capturing important ideas are selected from the transcripts. Then, 1st order concepts are identified by labeling primary concepts within the quotations. Next, patterns and connections are sought to identify 2nd order themes that group related concepts. Finally, an aggregate dimension is created to provide an overarching understanding of the data. Transparency is crucial throughout the analysis by documenting coding decisions and maintaining an audit trail of the process (Gioia et al., 2013). Through constant comparison and progressive analysis, codes were refined, grouped, and organized into categories, facilitating the emergence of themes that reflect the experiences, strategies, and perceptions related to risk reduction and strategic direction within the Lean Startup approach. Atlas.Ti was used as a helping tool for the coding process by identifying the 1$^{st}$ order concepts.

## 4. Findings

The findings chapter in this paper explores what we learned from 10 interviews with startup founders and startup coaches about how they navigate the challenge of losing vision within the Lean Startup Approach. Our research question was: “How does using the Lean Startup approach influence the three vision development paths?”. Through these interviews, we uncover insights into the strategies, perspectives, and experiences of these individuals in adapting their organizational visions.

### 4.1 Lean Startup Approach

The interviews with startup founders and experts have provided more information about how startups support the Lean Startup methodology when faced with the challenge of adjusting their vision. Specifically, the focus is on understanding how startups navigate the complexities of maintaining their vision and adapting to unforeseen situations. These findings dig into the

relationship and clear up how the Lean Startup approach becomes a guide for startups navigating their organizational vision.

### 4.1.1 Role of MVP

According to the interviews, creating prototypes, Minimum Viable Products (MVPs), and gathering customer feedback were highlighted as crucial for making hypotheses and strategies work smoothly within the Lean Startup approach.

Participants emphasized that developing prototypes and MVPs made abstract ideas more tangible. This helped in testing and refining hypotheses, ensuring they aligned with organizational goals and customer needs. The creation of prototypes and MVPs also proved valuable in fine-tuning concepts.

Actively seeking customer feedback was discovered as a key practice. Early engagement with customers through prototypes and MVPs allows quick adjustments based on real user experiences. This direct interaction not only provided valuable insights but also helped validate assumptions, refine strategies, and ensure the final product met market demands.

*"We developed a logistics platform, and quite early in the process, we created a prototype, an MVP. Then, the first step is to engage in customer surveys. Even before that, we inquire whether customers have any problems or where their challenges lie. The key here is to conduct both the MVP development and customer surveys quite early in the process."*

In addition, participants mentioned the use of creative techniques like "Lego Serious Play" as a supportive method. This hands-on approach facilitates a deeper exploration of ideas, promoting teamwork, brainstorming, and problem-solving. "Lego Serious Play" was seen as a tool not only for creative expression but also for unlocking collective intelligence within the team.

*"We tried it once, and I must say, it worked quite well with LEGO Serious Play. So, in a classic fashion, we built with LEGO bricks, where the construction was supposed to represent a situation in the company. Our aim was to collaborate as a team to enhance creativity and cohesion."*

Furthermore, the interviews showed that in the Lean Startup approach, there's a method emphasizing the smart use of high-fidelity prototypes. Participants highlighted the significance

of these detailed prototypes in simulating product maturity, providing a realistic evaluation of functionality and user experience. High-fidelity prototypes were seen as instrumental tools for testing hypotheses, understanding market dynamics, and preventing the risk of investing too much in untested ideas. Their realistic representation allows teams to gather valuable information, reducing the likelihood of making investments without validation.

*"The central thing is a high-fidelity prototype. With this, you can already simulate a high level of product maturity and form a real understanding of whether it is a product one would actually use. The intriguing question, of course, is whether there would also be a willingness to pay for it."*

Primarily, interviewees emphasized that MVPs serve as instrumental tools in the early stages when creating a concept. One startup founder stated that they allow teams to bring their ideas to life through the creation of early sketches before committing to the full programming process. This phase was considered important for visualizing and refining ideas, offering a tangible foundation for discussion. By leveraging MVPs in this manner, teams were able to explore potential functionalities, assess the feasibility of their concepts, and make informed decisions without the heavy investment associated with full-scale development.

*"It also makes more sense for our developers to start with an MVP and gather direct feedback. After that, we present the development status and proceed accordingly. Within the MVP framework, we either work with sketches that can be quickly created or graphic programs to roughly outline the idea. The MVP allows us to initially work on a rough concept before delving into the actual programming."*

The interviews showed that most participants valued quality and stability more than just adding new features. This change in focus showed a dedication to providing a product that not only meets what customers expect but also guarantees it works reliably and is strong.

*"So, it is often the case that for complex assemblies, especially those that are assembled and need to fit together, customers need to place orders to check in their production if the components fit and meet their quality requirements. [...] We often manufacture prototypes for assemblies that need to be assembled to ensure everything fits. In this process, we might need to make adjustments, as the design can change from the initial concept to actual production. This demands quality over quantity."*

### 4.1.2 Role of customer feedback

In the Lean Startup way of doing things, listening to what customers say becomes really important for changing the product and plans. The interviewees, drawn from diverse backgrounds and experiences, highlight the pivotal role of customer insights in directing startups and creating their vision.

Navigating the course of a startup is like driving a car, this is how one interviewee compared customer feedback to a steering wheel. Just as a steering wheel guides a vehicle, feedback directs a startup. Similar to a car adjusting its course based on the steering wheel, a startup should be responsive to new insights from customer feedback.

*"Running a startup is like driving a car. Imagine customer feedback as the steering wheel – it guides the startup. Just as a car follows the steering wheel for direction, a smart startup adjusts its path based on new insights from customer feedback."*

While recognizing the importance of customer feedback, the potential danger of information overload was also highlighted in the interviews. Creating a balance between gathering useful information and avoiding excessive data became a key theme. The spotlight was on keeping the collected feedback insightful without overwhelming the startup.

*"One also needs to learn, okay, what kind of feedback is relevant? Especially in social media, there is a lot, similar to 'TMI' (too much information), which can be overwhelming. If you let it steer you off course, the same happens to your company; you won't stay on track. You must know when to counter-steer when to intervene."*

The interviews highlighted the important role of external and neutral perspectives. Internal stakeholders, delicate to positive bias, may not provide an entirely objective assessment. Obtaining independent and neutral customer opinions was stressed as essential for a realistic evaluation of the startup's situation.

Furthermore, a warning was given about biases in the feedback. Interviewees stated that asking neutral questions to get unbiased responses plays an important role. This underscored the commitment to fostering an environment where diverse perspectives are actively sought and considered.

*"Experience has shown that when you ask them or get feedback from them, they all enthusiastically say everything is great and should continue as is. Unfortunately, this is often not the case in reality because they tend to respond positively. In response to the initial question, we recorded that and, of course, they said yes, we are on the right track. However, we are now trying to reach and survey more neutral customers, particularly focusing on the platform."*

Open communication with users was emphasized, proving instrumental in validating assumptions, understanding pain points, and adapting the product accordingly. Decisions, such as on-site development in an agricultural field, directly resulted from this valuable customer feedback.

*"Due to customer feedback, we decided to conduct the development directly at the customer's location, specifically on an agricultural project. We worked directly in the customer's strawberry field and found that this significantly accelerated our progress."*

The implementation of internal communication tools and alignment with the startup's vision were tangible outcomes of customer feedback. The decision to introduce a conference tool for internal communication was directly influenced by insights gained from customer feedback.

The development of new features, such as integrating feedback into the finger exoskeleton, was a direct result of customer feedback. The nature of feedback-driven development not only enhanced existing features but also led to innovative additions aligned with user preferences.

*"For instance, based on customer feedback, we've developed entire features. Just to illustrate, with the finger exoskeleton, it protects both the fingers and joints."*

Most interviewees highlighted the importance of keeping the conversation going and getting feedback regularly. This shows their dedication to an ongoing talk with customers. This involved not only testing hypotheses but also making real-time adjustments based on the feedback received. Explorative interviews were specifically highlighted as a valuable source of feedback in the early stages of development.

*“You must identify significant pain points for the customer, especially those that may not be well-addressed. In everything you do, you must consistently seek feedback from the customer. You shouldn't take anything for granted."*

One startup coach emphasized that in the early stages of figuring out problems, the Lean Startup method made clear how solutions were checked to make sure they mattered to customers. Important features were tried out with the help of customer feedback, following the principles of Lean thinking. The interviews stressed that using Lean methods, like creating simple web pages and using social media, was crucial for exploring problems and making sure customers stayed involved.

*"The greatest benefit for the customer comes from the features that I need to introduce because every feature developed in the product incurs both time and money. Therefore, it's crucial to test it as lean as possible. This can be achieved through methods such as a landing page and a newsletter sign-up. The survival patch, for instance, could involve checking how many customers respond and directly signing up for the newsletter."*

## 4.2 Vision

In our interviews with startup founders and coaches, one theme kept coming up: having a clear and steady vision is crucial for a startup's success. The interviewees emphasized that a strong vision is foundational to the success and sustainability of a startup venture. According to their insights, a vision that resonates emotionally with team members offers a sense of shared purpose and commitment. A strong startup vision is more than a guide, it is a dynamic energy that moves the team forward, inspires commitment, and supports a customer-centric approach. The combination of clear thinking and emotional resonance within the vision was identified as a key factor in guiding startups through the unpredictable challenges of entrepreneurship.

*"[...] if the leader decides, 'Yes, we need to break through this wall,' does he then have the entire team behind him? It is very, very important that team listens and has a common goal and, secondly, of course, the leader needs to have the power to enforce it among all team members."*

Another takeaway from the Interviews was the need to carefully distinguish between a genuinely unique vision and products that might just seem unique. Not every distinct-looking product truly reflects a unique vision, our interviewees warned.

*"Sometimes the problem is, many founders think they have a unique vision, but actually, it's just a me-too product."*

Some startup coaches shared experiences where the strong belief in a vision didn't always translate well into product development. They noted instances of misimplementation or sticking too rigidly to the original vision, leading to unexpected challenges.

*“I believe that if founders strongly believe in the vision and cling too much to their plan, it often happens that it might be implemented incorrectly and fails.”*

It is essential for startups to regularly check if their products genuinely align with their vision. Therefore, many interviewees highlighted the importance of ensuring that the uniqueness of a product goes hand in hand with the authentic vision, helping startups stay true to their identity in a competitive market.

In our discussions with startup founders and experts, we found a shared belief in the important role of having a clear vision. The common opinion was that defining and refining their vision is not just important but critical for a startup's success.

One of our interviewees, highlighted the need for founders to invest time in developing a clear vision and strategy, suggesting that rushing this process could lead to setbacks and more challenges. It was also recommended to find external support, like expert guidance, to define the vision and to get a neutral opinion.

*“It is advantageous to always bring in external individuals. Those who may already come from this business environment, just to inject more fuel and to bring in more experience to improve the vision.“*

Furthermore, a link between a startup's vision, its value proposition, and solving user problems was discovered. One startup founder stated that a clear vision should align with the Value Proposition Canvas, a tool to define what makes a product valuable. This ensures that the vision guides the creation of products that genuinely address user needs. The same interviewee also highlighted the importance of understanding how the product solves user problems.

*“In the spirit of a Value Proposition Canvas, I would inspect the pains and gains of the users, considering how my solution can effectively address a certain problem, ensuring it delivers meaningful value to align with the overall vision.”*

It was also discovered how organizational visions can evolve over time. One startup initially aimed to support small and medium-sized businesses in digitization through custom software development but later shifted focus to standardized software products. This change reflected a strategic adaptation to better meet market needs.

Another example came from one startup founder in the steel industry, who highlighted his company's evolving vision due to different reasons, for example, war or always changing customer needs. It started with a focus on providing comprehensive solutions to the steel industry, covering everything from construction to the final product.

*"Our initial vision was to offer a product from construction to the end product – the complete range. Few companies in the market pursue this comprehensive concept, and that was precisely our idea. Building on this, we shaped our vision and implemented our business plan financially. Then, in February of last year, the Ukraine war began. As a result, steel prices – constituting a significant 40 to 50 percent of our costs – surged rapidly, sometimes up to 300 percent. This significantly disrupted our entire business model and initial vision."*

*"Our customers expect more to be accomplished. It's not a matter of whether one wants to go along with it; rather, one must simply align with the processes and implement more if one wants to stay competitive in the market. Therefore, our long-term goals and vision are always evolving."*

These examples show that in the startup community, visions often change to stay in line with market demands. They reveal the importance of being flexible and adjusting the vision to navigate challenges while sticking to the overall long-term goal.

Additionally, the interviews emphasized that requesting and implementing feedback is a key element in this always-changing process, ensuring that the developed vision remains flexible to the needs of the startup itself and the market.

*"[...] we established the company’s vision to support small and medium-sized enterprises in their digitalization efforts. We considered existing needs, market solutions, potential gaps, identified our target audience, and then deconstructed the vision into a comprehensive strategy. [...] Based on customer feedback, we decided to implement the development directly at the customer's location, focusing at that time on an agricultural project."*

The participants reinforced that developing a vision is not a one-time thing, it's a continuous journey of improvement. Startups adjust their visions based on lessons learned and feedback received from experiences. This openness to feedback, from within the team and externally, allows startups to align their vision with the changing market.

*"The feedback suggested that we should approach it differently, that this approach was not desired. This led to the realization that we must constantly question whether what we are currently doing and how we are doing it is truly what we want and whether it is genuinely needed by someone. The overarching vision was to create a space where we could utilize our skills to create something new, something that brings added value to all."*

A further important finding was being explored during the interviews. Clear communication skills are crucial for leaders to maintain and align the team with the organizational vision. Interviewees mentioned that when leaders effectively communicate the vision, it gives the feeling of unity and commitment among team members. This open communication ensures that the vision remains a shared goal, which promotes collaboration.

*"I believe primarily in communication, especially at the beginning. The founding team has a reasonably clear understanding of what they are doing, and the overall vision and goal is. However, as new members join and develop specific specializations in their roles, the reference becomes less clear."*

As startup experts mentioned, they find it important to regularly reflect on the team's direction and individual contributions. The idea of time to evaluate progress helps startups stay on track with their vision was highlighted. This action also underlines recognizing and improving each team member's role, while offering a culture of continuous improvement within the dynamic startup environment.

*"Our vision is present in a brief version, but also in a more detailed version where we ask ourselves what we actually want to do and where we are headed. [...] I believe this is significant, even though it may often take a backseat when caught up in day-to-day operations. It's crucial to clarify what contribution each individual wants to make and where we, as a team, are actually heading."*

In our Interviews, one startup coach's insights stood out as this person highlighted the importance of developing a clear vision for each product within its portfolio. This interviewee’s perspective introduced the concept of a "Think Big" approach, offering startups to embrace

their visions. It was emphasized that a well-defined vision can encourage a "Think Big" mindset, inspiring teams to set ambitious goals that extend short-term desired results.

*"We always emphasize the 'Think Big' concept and ask, what do you want to achieve with your startup in about 10 years? The vision formulation should be ambitious and something that inspires you, and your team, and can also inspire potential employees."*

## 4.3 Transformation from vision to the Lean Startup approach

The transformation from vision to the Lean Startup approach holds significant importance as it facilitates the translation of abstract entrepreneurial aspirations into actionable strategies. By embracing Lean Startup methodologies, startups can systematically validate their visions through experimentation, therefore ensuring the alignment with the market.

The interviews with startup founders and coaches revealed new perspectives on the factors influencing the transformation from vision to business model within the Lean Startup approach.

### 4.3.1 Organizational dynamics

The interviews show that sufficient investments were seen as really important for Lean Startup transformations. Startups highlighted the need for financial resources to fund experimentation, develop Minimum Viable Products, and navigate the uncertainties. This financial backing provided the necessary runway for sustained innovation and adaptation.

The willingness to take calculated risks was emphasized as a key attribute. Participants acknowledged that the Lean Startup approach encourages embracing uncertainty and learning from failures. A risk-taking attitude was seen as essential for fostering a culture of innovation, experimentation, and continuous improvement.

*"[...] furthermore, it is possible to have another vision, [...] and realizing that it's okay to let go of the steps towards it and, of course in this process, taking certain risks is very important."*

Effective leadership played a central role in guiding the strategic adaptation process. Leaders were recognized for their role in setting the tone for experimentation, encouraging a culture of learning from failures, and making quick, informed decisions. Leadership's commitment to the Lean Startup mindset influenced the entire organizational culture.

Information from one startup coach underscored the pivotal role of leadership in shaping the strategic direction of the startup. Leadership was not mainly about making decisions but enabling a self-organized team that could adapt to challenges and changes independently. This highlighted a shift from traditional top-down management to a more collaborative and adaptive leadership style.

*"[...] the tasks of leaders also involve considering the team but also conveying what we are currently doing and what vision we are pursuing."*

The concept of the Minimum Viable Product was mentioned as highly necessary. Startups recognized the importance of creating a simplified version of their product early in the development process. This allowed them to quickly test core concepts, gather valuable user feedback, and iterate on subsequent versions based on real-world insights.

*" [...] then it comes down to the MVP development and market testing because the goal of this incubator program is to achieve a product-market fit in order to develop a suitable vision and strategy."*

The interviews also showed that the Lean Startup approach went beyond just talking about ideas. It provided hands-on support to guide startups through the challenges of developing their business models. This support included helping them think strategically, come up with hypotheses, and make sure everyone in the company had the right mindset for the Lean Startup approach. This help involved answering important questions, coming up with ideas, and making sure everyone in the company understood and followed the business model.

*"You have to test all hypotheses, and you do that through customer feedback. In the beginning, this is naturally done through interviews, especially when you don't have any products yet [...]. You do that to then develop your business model and long-term goals."*

In addition, the transformations often required adjustments to the organizational structure. The flexible and adaptive nature of Lean Startup principles prompted startups to reconsider traditional hierarchies. Organizations embraced a more collaborative and cross-functional approach, fostering innovation and efficient decision-making.

Agility emerged as a critical factor in responding to market changes smoothly. Participants mentioned that there is a need for a flexible and responsive approach, allowing startups to

adapt to shifting dynamics, changing customer needs, and developing markets. Agility was key to staying ahead in the competitive landscape.

*"One should ideally be ready to change something about their strategy or vision. [...] later, one sometimes has to realize that it did not go as planned beforehand and then restructure."*

In most interviews, the Lean Startup approach was cited as a valuable tool for fostering adaptability. The learning effect in the Lean Startup approach was crucial for staying adjusted to market shifts. This flexibility allowed the startup to pivot when necessary, ensuring that strategies remained aligned with evolving customer needs and industry trends. The ability to adapt to unforeseen challenges was recognized as integral. Startups valued the flexibility to adjust strategies quickly based on market feedback and changing circumstances. Adaptability allows organizations to navigate uncertainties and pivot when necessary to stay on course.

Collaborative teamwork was identified as a base of successful transformation from their vision to the business model developed on the Lean Startup principles. Effective communication, shared responsibility, and a culture of mutual support were essential for maintaining a cohesive and innovative team dynamic. Team members worked together to contribute diverse perspectives and skills.

*"[...] but they often haven't necessarily failed due to financial reasons; rather, the founding team dissolved relatively quickly, with each going their separate ways."*

Additionally, it was stated how important it is to consider many different ideas when coming up with new concepts. Recognizing the value of having diverse perspectives was seen as crucial. After gathering ideas, the focus then moved to an organized process of choosing the best ones. Setting milestones, which are like checkpoints for progress and achieving goals, was identified as a very important part of the whole process.

Diversity, both in terms of team composition and perspectives, was emphasized. The interviews highlighted the positive impact of diverse teams on problem-solving and creativity. A mix of backgrounds and experiences contributed to a broader range of ideas, fostering innovation and resilience. Associated with diversity is the importance of exchanging experiences within the team. Participants emphasized the value of learning from each other's successes, failures, and different backgrounds. Knowledge exchange facilitated continuous improvement, allowing startups to leverage collective insights for better decision-making and strategy refinement.

*"Another point is that in the founding team, we have different focuses and interests. Additionally, we looked at very different markets based on our diverse backgrounds."*

### 4.3.2 Innovation ecosystem

One Startup founder indicated the importance of self-reflection. Regular self-analysis was found essential for evaluating the effectiveness of strategies, identifying areas for improvement, and fostering a culture of continuous learning. Self-reflection played a role in refining approaches based on insights gained from ongoing experiences.

*"I want a company where people work motivated and independently. One also needs to reflect occasionally and ask oneself if this way of working is effective."*

Most interviewees stated that they believe in the Lean Startup principle, which encourages startups to make mistakes and gain valuable lessons from those mistakes. This approach involves a continuous evaluation of ideas to ensure alignment with customer needs. It was stated that constant reflection and adjustment allowed the startup to evolve its strategies based on feedback and changing market dynamics.

*"I think that's the greatest value that we bring, and I also believe that startups bring: focusing on learning. First, to build something and then to check if it works. If not, you've learned something and improve it."*

Moreover, political factors within and outside the organization were considered in the Lean Startup journey. Participants recognized the need to navigate internal dynamics and external influences, such as industry trends and regulations. Political awareness was crucial for making informed decisions and overcoming challenges associated with organizational and external environments.

Whereas the monitoring of political factors is important the analysis of market trends is as crucial. Startups recognized the need to stay informed about market trends, customer preferences, and competitor activities. Regular market research provides the necessary insights to make informed decisions, refine products, and stay ahead in a rapidly changing business landscape.

*" [...] there are also political influences. When conducting statistics and analyses, one must consider, for example, the environment, politics, and laws."*

| 1st Order Concepts | 2nd Order Themes | Aggregate Dimension |
|---|---|---|
| Investments | Strategic choices | Organizational dynamics |
| Willingness to take risks | | |
| Leadership | | |
| MVP | | |
| Organizational structure | Organizational influences | |
| Agility | | |
| Adaptability | | |
| Teamwork | Team-oriented aspects | |
| Diversity | | |
| Exchange of experiences | | |
| Self-reflection | Factors promoting creativity | Innovation ecosystem |
| Creativity | | |
| Politics | External influences | |
| External opinion | | |
| Market research | | |

*Table 1: Gioia Coding Transformation from vision to the Lean Startup approach*

## 4.4 The three paths: Maintain, change, or lose vision

Exploring the role of the organizational vision in the Lean Startup framework, the interviews show that there is a common understanding among participants. During the conversations, it was discovered that identifying when a product or strategy no longer aligns with the demands of the market or customer preferences is a crucial task. It has already been indicated that there are three paths when a startup needs to refine and adapt: maintain the vision, lose the vision, or change the vision.

Firstly, the concept of losing its vision has been investigated. Many startup founders highlight the importance of making changes fast and advise against sticking to strategies that don't work. One startup founder made a suggestion, saying it's important to check if early failures

happened because the product or service was aimed at the wrong audience. If not, there might be a chance to change direction and find success differently.

*“Certainly, you must be willing to adapt the strategy. That is precisely what we failed to do and what we should have done much earlier. Even though we recognized in the second year that things were not going smoothly, we did not adjust the strategy. And after that, of course, the long-term vision was also adapted.”*

Second, the interview aimed to gain insights into the ways of maintaining the vision. In the process of maintaining vision, startups employ a strategy involving continuous evaluation and alignment with overarching goals. This approach includes methods such as early market surveys and regular reviews to ensure ongoing resonance with the startup's vision. Decision-making considers diverse perspectives from both internal and external stakeholders, highlighting the importance of considering a broad spectrum of information.

*“There is often more than one path leading to a goal. Therefore, through retrospectives and evaluations, one should analyze whether what we have done up to that point has brought us closer to the goal in different ways.”*

Effective communication within the team is perceived as necessary, with a weight on clarifying how individual tasks influence the overall vision. Importantly, decisions are not static but are dynamically shaped by customer feedback, which reflects a commitment to maintaining the original vision while remaining adaptable to the changing needs and demands.

*"[...] it is important to agree with the entire founder team beforehand on what the vision and goal are. It's best not just for individual persons, but for several people to critically question whether the chosen approach truly leads there. This provides you with more perspectives on the matter."*

Lastly, the interviews explored the reasons behind, and the process involved in the decision of pivoting within startups. During the interview, the importance of customer feedback became clear as a key factor in making important decisions in the Lean Startup framework. The way decisions are made involves making small changes over time based on what customers need and like. This flexibility is also visible in how products are designed, showing a readiness to change direction when the market shifts.

*"[...] we must also learn to let go of the original vision and plan. This can be different levels of difficulty for different individuals, depending on how strongly they are attached to the idea that it's a good one. We have learned from this that conducting market surveys early on is crucial."*

Furthermore, the data collection gave away how startups can quickly change their plans when unexpected challenges occur in the market. A specific example demonstrated this adaptability: a startup that originally planned to make Smart Glasses switched to using drones because of challenges they faced in the market. This change in their vision and strategy highlights the need to stay responsive to the market to make sure the product meets the customers' requirements.

*"We once had the idea of using Smart Glasses, especially when working on base stations, those antennas you see everywhere. The plan was to display an image through the Smart Glasses so that technicians could quickly assess the new technology by wearing these glasses. [...] We experimented and found that this worked well only within buildings. However, as soon as we went outdoors to work on masts and such, the connections were heavily disrupted. [...] In short, we decided to use them internally, while opting for drones for external applications."*

Changing the startup's vision became very important when the startup faced challenges with its original plan. Adjusting strategies was often highlighted as a key factor in making sure the startup succeeds overall. One interviewee shared an example of this, where a startup that started by focusing on workplace issues shifted to creating content for employee development. This change showed a smart response to challenges and highlighted how being adaptable is crucial for long-term success.

*"This received a lot of approval but ultimately did not establish a large customer base. Payment willingness was also a bit of an issue, as we didn't quite fit into an existing category. We struggled, and then our vision shifted as the team adapted more to where there was already a market. Consequently, we went in a different direction."*

Moreover, the process of changing direction was shown to be complex, involving careful thinking and constant learning. Recognizing the right time to pivot was seen as a skill that involves evaluating how well the market, customer feedback, and the team can handle a new plan. An example illustrated this well: A startup switched from making custom software for small and medium-sized businesses to making standard products. This change happened

after talking to customers early on, which revealed mistakes in their assumptions. It emphasizes the importance of learning while making important strategic decisions.

*"Regarding this point – individual software development – that was indeed a part of our vision. We aimed to support small and medium-sized enterprises through custom software development in the context of digitization. Due to monitoring the needs and demands, we adjusted by shifting away from individual software development and focusing more on the development of standardized software products."*

The interviewees stated that startups must recognize the vital importance of being prepared for ideas that prove to be ineffective in the end. Participants say that pivoting, as a strategic move, is rooted in feedback from customers and the ability to adapt to market changes without any challenges. While some startups preferred a careful and step-by-step development method with small changes to the product, they didn't explicitly demonstrate examples of making major modifications. However, the conversations show that there were considerations for changing products based on feedback and addressing the challenges.

In instances where the original vision faced challenges, startups recognized the necessity for a pivot. One example in the indoor farming sector demonstrated a strategic shift from the initial focus on insect farming to plant cultivation. This change, influenced by positive customer responses, showcased a business model adjustment based on customer needs, highlighting the individual adaptability within the pivot process.

*"They tested different approaches, but mainly with the insect farm, where they evaluated whether it could be a viable business model for former pig farmers. However, the feedback was not very positive. So, the question appeared whether it even made sense to continue, given the less-than-ideal feedback. [...] They don't find insect farming attractive; they somehow don't like it. The idea of indoor farming with plants was suggested more frequently, and they tested it again and realized that it seemed more promising. Based on these insights, they made the decision to pivot."*

## 4.5 Reasons for lost vision

The interviews provided many reasons and explanations of why startups may lose their vision. Conversations with experienced people highlighted the challenges such as internal disagreements, struggles with adapting to changes, financial issues, and external factors like competition and unexpected events.

Continuing our investigation, the interviewees explained the tough challenges of getting everyone on the team to see the company's vision in the same way. The diverse academic backgrounds, particularly among those with a great knowledge of physics, presented a significant obstacle, requiring the assimilation of new knowledge from varied sources.

*"It was initially challenging within the team to determine what vision we actually had of the company because we were all physicists and needed new knowledge from people with different backgrounds. [...] Having everyone on the same page was definitely difficult for us at the beginning."*

Looking at how products are made, it was found that there were situations where the first versions were dropped because the needs for the product kept developing. This shows that making products is always changing, and startups need to be quick to adapt to those changes.

*"There were situations where we created a prototype, and then it turned out that there were additional requirements. We tried to address these requirements, but then more emerged. Eventually, we had to scrap everything and start over from nearly the very beginning."*

Examining how things get created, we learned that sometimes, when making a product, the initial versions had to be scrapped because the requirements for the product were changing. This highlights the idea that the process of creating a product is continuously developing, and startups must be quick in adapting to these changes.

*"[…] When you've already invested a lot of time and energy, there's often a feeling that you can't stop and feel pressured to stick to the original vision because it would have all been in vain. But actually, it's precisely in those moments that it's particularly wise [...]."*

Furthermore, the interviews offered more valuable information when it was discussed how startup teams sometimes fall apart fast. The difficulty in agreeing on things really stressed how crucial it is for the team to collaborate effectively in sticking to a shared vision. This highlighted the idea that teamwork plays a major role in ensuring that everyone is working together towards the same goals and understanding.

*"[…] There, the founding team dissolved quite quickly because they couldn't find a common ground."*

Moreover, in the interviews about the strategic aspects attached with the organizational vision, a key aspect emerged. This underscored the critical importance of everyone being aligned in understanding the necessary steps. Additionally, acknowledging the potential need for adjustments to the vision highlighted an ongoing process of refining strategic approaches within the Lean Startup approach. This further emphasizes the dynamic nature of the Lean Startup method, where continuous learning and adapting strategies play a pivotal role in achieving success.

*"There are also strategic questions related to the vision. If the vision indicates that different steps need to be taken and there are different perspectives, the vision may need to be changed."*

During the interviews, participants offered a clear overview of how a tight budget can seriously affect a company's vision. Instances of failure linked to economic issues emphasized how startups can face challenges in sticking to their initial plans due to financial constraints. This highlighted the need for startups to be adaptable, coming up with new strategies to navigate through financial difficulties. It pointed out that in the startup world, dealing with money challenges often involves creative and flexible approaches to ensure sustainability and growth.

*"[…] But many have often failed due to financial reasons or similar factors."*

A repeating factor in the interviews was the need to thoroughly test ideas by getting feedback from customers. Not doing this was seen as a reason for uncertainty and possibly going off track from the original plan, stressing how important it is to check and validate ideas through real-world feedback.

*"You just have to test the hypotheses, and you do that through customer feedback. In the end, you see whether they are confirmed or not."*

The interviews showed that unexpected events, like wars in places, for example, Ukraine, can really affect a company's vision and goals. This points out how external components can easily impact a company's vision, making it crucial for them to be ready to adapt and think on their feet. It shows the need for companies to be flexible in their strategies, and always ready to change their plans when unexpected things happen from the outside.

*"Our initial vision was to offer a product from construction to the end product – the complete range. [...] Then, in February of last year, the Ukraine war began. As a result, steel prices –*

*constituting a significant 40 to 50 percent of our costs – surged rapidly, sometimes up to 300 percent. This significantly disrupted our entire business model and initial vision."*

During the interviews it became clear that facing tough competition became a big problem for startups, making it hard for companies to get started and achieve their goals. The interviews highlighted how being able to adapt in the face of competition is important. This emphasized the necessity for companies to come up with smart strategies to deal with the challenges posed by strong competition.

*"There are various factors for this, and one of them is competition [...], because in competition, it's super tough to even get a foothold and realize your vision."*

Insights from experiences show the important role of early market surveys in understanding and addressing market needs. This provided valuable insights to align the vision with evolving market demands, reinforcing the iterative nature of the Lean Startup methodology.

*"We learned from that to conduct market surveys as early as possible and ask what is actually wanted."*

Mostly every interviewee stressed the significance of customer feedback and the acceptance held great importance in the discussions about adaptations in vision. Insights gained from interviews with end-users showcased the pivotal role of customer perspectives in shaping and refining the organizational vision.

*"The company then conducted interviews with the farmers and found out that they didn't like the idea. Based on these findings, they changed their idea and, consequently, their vision."*

The interviews revealed a multifaceted relationship between decision-making, internal and external factors, and organizational vision in the Lean Startup framework. Findings emphasize adaptability, continuous learning, and collaboration as essential elements in the Lean Startup Approach, aiming to support startups on their path to growth, innovation, and success.

| 1st Order Concepts | 2nd Order Themes | Aggregate Dimension |
|---|---|---|
| Internal insights | Internal perspectives | Internal management |
| Product requirements | | |
| Lack of flexibility | | |
| Lack of team collaboration | | |
| Strategic direction | Business planning | |
| Financial challenges | Finances | |
| Lack of validation of the hypothesis | Risk management | |
| External influences | External factors | External environment |
| Competition | | |
| Market needs | Customer focus | |
| Customer feedback | | |

*Table 2: Gioia Coding Reasons for loss of vision*

## 5. Discussion

This research aims to answer the following research question: “How does using the Lean Startup approach influence the three vision development paths?”. In order to further investigate the research results, we propose a framework developed through case study methodology, offering insights into how startups can effectively navigate uncertainties related to the challenges regarding the startup’s vision (Figure 3). Examining individuals within startups or familiar with the process of young companies, including those who have experienced vision challenges and those who have not, this study provides valuable insights for entrepreneurs aiming to balance innovation while maintaining a clear vision and strategy. By making these basic ideas clearer and showing how they fit together, the discussion adds to what is already known and establishes a basic foundation for future research and practical applications. It provides information into effectively using the Lean Startup approach to handle challenges related to vision in startups.

## 5.1 Theoretical implications

The theoretical implications explore the broader consequences of the study's findings. It will explore how and what the research adds to existing theories and concepts within the field, highlighting new observations or adjustments to prevailing frameworks. This section will evaluate the relevance and implications of the theory and findings for understanding the challenges of vision within the Lean Startup context and how founders handle these obstacles. By closely looking at the ideas that support our research, this part of the discussion will help to better understand the challenges startups face with their vision.

### 5.1.1 Integration Lean Startup Approach

The Lean Startup approach is based on the principles of continuous learning, experimentation, and customer feedback, and has been a base in various literature. This study extends this framework clarifying its adaptability and effectiveness in the face of vision challenges (Ries, 2011). Exploring maintaining, changing, or losing vision within the Lean Startup context refines the understanding of how startups navigate uncertainty and carefully pivot when necessary. Integrating what is known from existing Lean Startup theories and the interviews with startup founders, this study examines how these principles connect with the real challenges startups encounter, especially regarding their vision.

Proposition 1: Effectively integrating Lean Startup principles, including continuous learning, customer-centric decision-making, strategic pivoting, adaptive leadership, collaborative teamwork, and financial agility, enhances startups' ability to navigate uncertainties, particularly those related to vision challenges.

Firstly, continuous learning and the ability to adapt to always changing needs and demands. The Lean Startup approach supports a culture of continuous learning and adaptability. This research affirms that startups embracing this principle navigated uncertainties related to vision more effectively. Insights from interviews emphasized the importance of an iterative development process, incorporating customer feedback to refine strategies continually. This aligns with the Lean Startup concept of quick learning cycles and the creation of Minimum Viable Products (Ries, 2011).

Second is the process of making decisions with a strong focus on customer needs and preferences. Customer-centricity is a common belief in the Lean Startup Approach (Cha & Bae, 2010). Interviews revealed that startups actively seek and value customer feedback and

demonstrated resilience in the face of vision-related challenges. Early market surveys and constant communication with customers were identified as key strategies for aligning organizational vision with market demands. The practical application of Lean principles in integrating customer perspectives into decision-making processes was evident across the case studies.

Next, we discover another connection: the important role of pivoting in the Lean Startup Approach. Pivoting, a key aspect of the Lean Startup approach, emerged as a crucial factor in handling vision-related challenges (Ries, 2011). The Interviewees mentioned instances where startups strategically pivoted based on market feedback and evolving needs. The willingness to adapt and change course when faced with challenges to the original vision demonstrated a successful integration of Lean principles. This aligns with Ries's (2011) emphasis on validated learning and making informed decisions through pivots.

The fourth factor indicated in the Lean Startup approach is the role of leadership in the startup context, emphasizing how effective leadership plays a big part in guiding strategic adaptation. Leadership played a significant role in influencing the integration of Lean Startup principles (Blank & Dorf, 2012). The findings highlight a trend towards collaborative and adaptive leadership styles, offering a culture of learning and experimentation within teams. Leaders who consistently focus on customers and encourage adaptive strategies demonstrate effective application of Lean principles to the company's vision. This aligns with the cultural aspect of Lean principles emphasized by Blank and Dorf (2012).

Adding to existing literature, collaborative teamwork and diversity in teams were both indicated as a Lean Startup principle in the interviews. The outcome of the interviews emphasizes the importance of collaborative teamwork and diverse perspectives. Participants revealed that startups valuing diverse teams and encouraging knowledge exchange demonstrated a robust integration of Lean principles. Collaborative teamwork ensured effective communication and shared responsibility, aligning with the Lean idea of learning. The positive impact of diverse backgrounds on problem-solving and creativity was evident.

Lastly, based on the interviews the financial agility of startups can also be added to existing literature. Uncertainties in startup ventures require financial adaptability and agility, key components of Lean principles. Startup founders highlighted the importance of companies creatively navigating financial constraints, experimenting with cost-effective strategies, and remaining agile in decision-making. The ability to pivot when faced with unexpected financial

challenges highlights the significance of financial adaptability within the Lean Startup approach.

### 5.1.2 Vision Paths

In our interviews with startup founders and experts, the importance of a well-defined and clear vision has consistently emerged, and it was discovered that there are three main paths for startups when it comes to the concept of vision: maintaining, losing, or changing the vision. The vision, characterized as a future projection of the company, assumes a role far beyond being only a guide. It acts as a force and inspires purpose and direction within startup teams. The empirical findings closely resonate with established literature, reinforcing the argument that a startup's vision is not only pivotal but foundational for success (Thiel, 2014). Interviews with startup founders and experts show how continuous learning, focusing on customer needs, and making strategic shifts are crucial in this journey. This not only adds to what we already know about Lean Startup but also gives informative insights for startups dealing with vision-related challenges.

Proposition 2: Maintaining a clear vision impacts startups by driving sustained growth, innovation, and customer satisfaction, ultimately leading to their long-term success and viability.

First, the continuation of a startup’s vision was explored in existing literature and interviews. Maintaining the vision involves an always-progressing process where startups consistently evaluate their development and align their actions with long-term goals (Ghezzi & Cavallo, 2020). They employ tools like early market surveys and regular reviews to ensure a continuous fit with their vision. Decision-making becomes an important exercise, incorporating diverse perspectives within the team. This emphasizes the importance of considering a broad spectrum of information. Effective communication and dynamic decision-shaping based on customer feedback showcase a profound commitment to preserving the original vision while remaining agile in response to evolving needs and demands (Salamzadeh & Kawamorita Kesim, 2017). The interviewees highlighted the significance of continuous evaluation and alignment, with successful startups emphasizing the role of effective communication and responsiveness to customer feedback in maintaining their vision.

In the process of maintaining vision, startups engage in a process of continuous evaluation and alignment with overarching goals. The emphasis on effective communication within the team and the dynamic shaping of decisions based on customer feedback exemplifies a

profound commitment to preserving the original vision while remaining agile in response to evolving needs and demands (Hauch & Nourbakhsh. 2018).

Proposition 3: Applying Lean principles helps startups maintain their strategic vision among challenges, both internal and external, ensuring sustained success.

Furthermore, one situation, which can also occur is the loss of vision. Beyond the theoretical foundation of the Lean principles, the interviews revealed a spectrum of challenges contributing to vision loss. Internal factors, such as team dynamics, disagreements, and struggles with adaptation, were identified as critical challenges. Externally, financial constraints, competition, and unexpected events also played a role in influencing the startup's vision. The Lean principles of continuous learning, customer-centricity, and strategic pivoting were identified as crucial in addressing these challenges, offering practical strategies for startups to maintain a clear strategic vision amid uncertainties.

Interview findings further detailed the impact of these challenges on startups, shedding light on the nuanced dynamics that contribute to vision loss. Entrepreneurs shared experiences of internal disagreements affecting the clarity of the company's vision. Financial constraints emerged as a common external factor challenging startups in adhering to their initial plans. These challenges, as highlighted by the interviews, underscore the practical significance of Lean principles in addressing both internal and external factors contributing to vision loss.

The concept of losing vision underscores the critical importance of recognizing when strategies prove ineffective and demand adjustment. Startups are counseled against persisting with strategies that yield unsatisfactory results and are urged to be receptive to change (Hauch & Nourbakhsh. 2018). The risk of losing vision is related when early failures signal misalignment with the target audience or a failure to adapt strategies sufficiently. The recognition of these failures and the consequent adjustment of the long-term vision is identified as a central factor for sustained success (Ghezzi & Cavallo, 2020). Insights from our interviews highlighted situations where startups had to acknowledge failures, leading to a change in their long-term vision.

Proposition 4: Strategic pivoting shows a positive effect by fostering adaptability, thereby creating a balance between maintaining loyalty to the original vision and embracing necessary changes.

The last path, which was identified is the concept of pivoting of the company's vision. Our findings underscore the role of pivoting, a fundamental facet of the Lean Startup methodology. Pivoting necessitates substantial changes within the organization based on decisive tests and market feedback. While it is an essential tool for adapting to dynamic market demands, it introduces a compelling dilemma—balancing loyalty to the original vision against the flexibility to change. Startups that strategically pivot showcase an adaptive capability, adjusting strategies to overcome challenges and ensuring enduring success. The process of pivoting is shown to be a thoughtful and flexible effort, needing careful thinking, always learning, and knowing the right time to change direction. Successful startups emphasize the need for continuous learning and a balance between loyalty to the original vision and flexibility in response to market dynamics.

### 5.1.3 Research Model: Relation between Lean Startup methodology and Vision

Based on existing theory and the findings from ten Interviews with startup founders and experts the connection between vision and the Lean Startup approach can be visualized as a continuous loop, illustrating how entrepreneurs navigate their business process (Figure 3). The interviews contributed real-world examples and many different perspectives, increasing the comprehension of how startups navigate the relationship between vision and the Lean Startup methodology. Figure 3 extends the aspects and propositions of Figure 2, integrating insights from startups, challenges encountered, and decision-making processes observed.

The model begins with the transformative step, where the entrepreneur translates their vision into the structured model of the Lean Startup approach. This also involves shaping the entrepreneurial vision into testable hypotheses. As we go through the Lean Startup process, the focus changes to gaining knowledge and learning. Companies launch their MVPs into the market, achieving important insights through customer feedback. During this stage, ideas are continuously tested, assumptions are validated, and there is an ongoing effort to better understand customer needs.

Considering what has been learned, the startup reaches an important point in its journey. Adapting to customer feedback presents a pivotal option: Refine and Adapt. This decision-making process depends on aligning the new insights with the original vision. Afterward, companies have three options on how they will react and act: Pivot, continue, or terminate. Act serves as an important link between decision-making and the vision. This loop represents the ongoing changes in the process of leading a Startup and reacting to the environment and

external influences. This cycle makes sure that the business stays flexible, responds to market changes, and stays in line with what customers need.

In summary, Figure 3 is a detailed guide illustrating how founders engage with the Lean Startup methodology. It shows the continuous loop, starting with the translation of vision into testable hypotheses. The process involves gaining knowledge through MVP launches, reaching a crucial decision point to Refine and Adapt, and choosing between Pivot, Continue, or Terminate. The loop stresses integrating insights into the original vision, offering alignment and dynamic flexibility for long-term success in a changing business landscape.

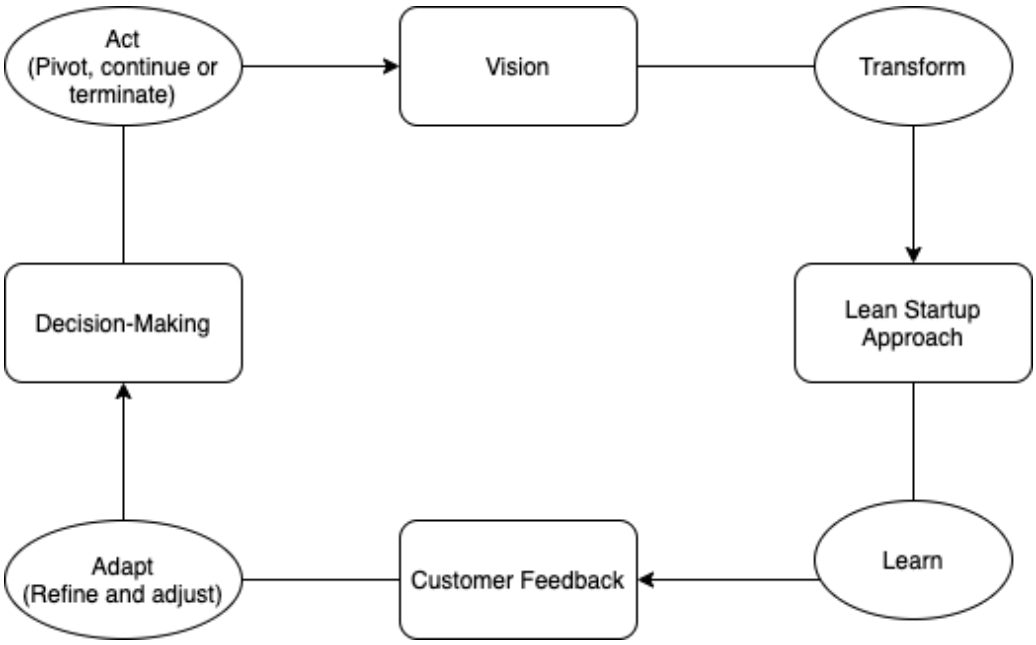


*Figure 3: Relation between Lean Startup methodology and vision*

## 5.2 Practical implications

Building upon the research findings, the theoretical implications discussion transitions to practical implications and actionable insights gained from the investigation through interviews. This chapter clarifies how the identified patterns and lessons can be translated into tangible guidance for entrepreneurs and educators. As navigated through the practical applications, our focus lies on strategic vision development and alignment, reducing challenges associated with vision, and influencing strategic decisions for success. Each section offers information that extends theoretical understanding, providing specific steps for implementation.

Initially, starting a startup and formulating a business vision requires a careful method for creating a strategic vision and keeping it in line consistently. The research findings highlight the importance of actions like regularly assessing, conducting early market surveys, and frequent reviews to stay connected with a startup's main vision. To practically apply these insights, founders should establish structured processes for consistent evaluation, integrating tools for market analysis and strategic alignment. For example, Thomas R. Eisenmann's (2013) concept of Big-Bang Disruption shows us that new technologies can quickly shake up markets. This means startups need to keep a close eye on what's happening and be ready to change their plans if needed. It was found that it is not just enough to have a good plan, companies have to regularly check if it still works. Consistently asking customers what they want and keeping up with new trends helps. It is also important to be flexible and ready to adjust your plans based on what's happening in the market. This way, startups can stay competitive and successful, even when faced with big changes.

Second, the founding journey consists of challenges that can lead to the loss of vision. Internally, team dynamics and disagreements can threaten the clarity of the company's vision. Externally, financial constraints and competition play an important role in influencing a startup's vision. However, adopting Lean principles, as advocated by Steve Blank (2013), can serve as a practical approach to mitigate these challenges. By focusing on continuous learning and pivoting, Lean principles empower startups to adapt to changing circumstances and refine their vision iteratively. Supporting a forward-thinking culture that proactively addresses internal challenges becomes imperative. Furthermore, incorporating Lean principles into the organizational culture ensures that they are not merely a temporary strategy but a foundational element, enabling the company to navigate both internal and external pressures with agility and resilience. This ensures adaptability regarding uncertainties.

Thirdly, successfully navigating strategic pivoting, as supported in 'The Lean Startup' by Eric Ries (2011), is a critical aspect of startup growth. It requires a thoughtful and carefully developed approach that balances loyalty to the original vision with adaptability to market needs. Startup founders, armed with insights from our findings, should develop a plan for potential adjustments. This plan should seamlessly integrate continuous learning and informed decision-making, allowing the startup to evolve in response to changing market dynamics. Developing a culture that values adaptability without compromising the core vision is paramount. Ultimately, success lies in the ability to recognize the right time to change direction and ensuring the flexibility to adapt while staying true to the startup's overarching goals.

Furthermore, dealing with the challenges of keeping, changing, or even giving up a startup's vision emphasizes the need for a well-thought-out plan for managing that vision. Entrepreneurs should adopt a well-thought-out strategy recognizing the relationship of continuity, adaptability, and strategic flexibility. Developing strategies that logically combine these elements into the startup's growth is important. The vision should not be considered as an individual choice but as a part of a broader plan that guides the startup through its different stages of growth. By aligning the vision with the various facets of the business model, startups can navigate through different stages of growth with clarity and purpose, which was described in the 'Business Model Generation' by Osterwalder and Pigneur (2020).

Finally, education is an influential task when it comes to shaping the founder’s mindset and making decisions within the company. Entrepreneurial education needs to go beyond theoretical concepts. Institutions should design programs and resources that empower entrepreneurs. Courses on vision management, vision adjustment, and entrepreneurial approaches should be integrated into the educational catalog. This provides ambitious future founders with the skills and mindset needed to navigate through the always-changing needs and demands of the market. The practical application ensures that the next generation of founders is well-prepared for the challenges and opportunities that lie ahead. This approach ensures that the next generation of founders is well-prepared to tackle the challenges and seize the opportunities that lie ahead. Drawing insights from 'The Design of Business' by Martin (2009), the importance of instilling principles such as empathy, experimentation, continuous process, ambiguity tolerance, and comprehensive perspective into entrepreneurial education is emphasized, offering a culture of innovation and adaptability among future founders.

## 5.3 Limitations and Future Research

Building upon the findings and implications of this study, this section contains two important aspects. First, recognizing the limitations of this research, and also indicating potential gaps for future research. With this understanding, scholars can address the limitations of this study and offer more detailed insights into how Lean Startup principles impact vision. Similarly, businesses, by considering practical recommendations, can adeptly apply Lean Startup principles to steer their organizational strategies in the immediate future. This approach not only improves their development initiatives but also ensures they stay responsive to market and environmental changes.

Like all studies, this thesis comes with its own set of limitations. The first limitation of this study is the timeframe. The temporal constraints of our study advise reflection on the duration we spent exploring the relationship between the Lean Startup approach and the concept of vision in startups. The investigation, which was limited to a specific time frame, can possibly overlook the outcomes that may occur over a more extended period. While our findings capture just a moment of the interplay between Lean Startup principles and vision loss, a longer duration could expose the changes and sustainability of these drifts over time.

Second, while our study gives valuable insights from voluntary interviews with startups in Germany, the geographic delimitation of our sample requires acknowledgment as a limiting factor. The focalization only on German startups may limit the generalizability of our findings across diverse cultural and entrepreneurial contexts. The wide range of perspectives emerging from startups in different countries could enhance the depth of our understanding. Future studies could consider broadening the geographical scope to offer a more diverse cluster of startup ecosystems.

The third limitation is about a possible language and translation bias. A consideration applies to the language in which our interviews were conducted and the translation into English. Conducting interviews in German introduces the potential for language and translation bias, where expressions and interpretations may be adjusted during the translation process. An important recognition of this limitation underscores the need for caution in interpreting our findings. Future studies may address this by conducting interviews directly in English or implementing careful translation protocols to ensure the fidelity of participant perspectives is maintained.

Fourth, the application of two distinct interview guides adjusted for startup founders and startup coaches is a strategic choice that also introduces a potential source of bias. Regardless of the effort to align questions towards a common outcome and topic, the differences in the interview guides may have influenced participant responses and also outcomes. This recognition encourages to carefully understand the results and to realize that the two interview guides might lead to varied viewpoints. Future research might explore alternative methods to standardize interview protocols, ensuring a more uniform approach in data collection across different participant categories.

Lastly, an additional point of reflection centers on the homogeneity of our interviewees, all being from Germany. While this paper provided an extensive review of a specific cultural context, it recklessly limited the diversity of experiences and perspectives. Engaging with

startups from different cultural backgrounds could offer a more diverse understanding of how Lean Startup principles manifest in varied cultural settings. Future studies might emphasize a careful effort to include a more culturally diverse participant pool, broadening the study's applicability and enriching the insights derived.

In conclusion, this exploration into the relationship between the Lean Startup approach and vision within startups has revealed valuable information and identified limitations. Recognizing the temporal constraints, language considerations, and interview guide distinctions, this study sets the stage for future research directions. To further grow our understanding, future studies could extend their temporal scope, embrace cultural diversity, refine communication strategies, standardize interview protocols, investigate vision dynamics across different startup stages, and develop a strategic framework for vision management. As we look into the future, the goal is to understand better how startups handle the tricky parts of using Lean Startup ideas and deal with the complex challenges of losing their vision.

# 6. Conclusion

This study explores how the Lean Startup approach is linked to a startup's vision, especially when facing the three vision development paths. It also aims to understand how startups deal with different uncertainties about their long-term goals. The main research question that was addressed was: “How does using the Lean Startup approach influence the three vision development paths?”.

Throughout this research, a case study methodology has been employed, drawing valuable insights from interviews with startup founders and experts who have delved into the complexities of managing vision in the entrepreneurial landscape. The investigation has gone beyond the theoretical underpinnings, venturing into the practical implications and potential applications for entrepreneurs and educators alike.

In the process of answering the research question, this study has uncovered many challenges and different paths, that startups experience when struggling with the concept of vision, going from maintaining a steady course to facing the complexities of losing vision and the role of pivoting. By closely examining these different sides, the research contributes in order to add on the understanding of how the Lean Startup approach operates in the context of vision management.

As navigated through the conclusion, it becomes clear that the findings of this research go beyond basic theoretical implications. They extend into the field of practical applications, providing founders with actionable insights for strategic decision-making in the face of vision-related challenges. This study looks closely at how the Lean Startup approach and vision are connected, especially when dealing with the challenge of losing vision. The interviews dove deeper into the experiences of people working in startups. From this, a practical guide was created, shown in Figure 3, to help startups deal with uncertainties.

In terms of theory, it was found that incorporating Lean Startup ideas like continuous learning, customer focus, strategic pivoting, and more enhances a startup's ability to handle uncertainties, especially those tied to vision challenges. Essentially, adopting these principles helps startups navigate challenges effectively.

Furthermore, the three vision development paths' startups often take with their vision are being explored: maintaining, losing, or changing the vision. The findings suggest that maintaining a vision is an ongoing process, loss of vision is influenced by internal and external challenges, and pivoting is important for lasting success. The model in Figure 3 shows a continuous loop where startups translate their vision into Lean Startup steps, learn from it, and make decisions to refine or adapt. This loop ensures flexibility, responding to changes in the business landscape.

In practical terms, it was recommended that startups set up structured processes for regular evaluations, market surveys, and open communication to stay connected with their vision. Adding Lean principles into the company culture helps to deal with challenges related to vision. Facing factors that can lead to vision challenges requires forward-thinking and internal adaptation. Lean principles become essential for adapting to uncertainties both inside and outside the company.

When it comes to pivoting, a careful approach balancing loyalty to the original vision and adaptability to market needs is necessary. Startups can use insights from this study to develop strategies that integrate continuous learning and informed decision-making. Managing a startup's vision requires a well-thought-though plan, recognizing the need for continuity, adaptability, and strategic flexibility. It's not just about the vision itself but how it fits into the broader plan guiding the startup through growth stages.

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# Appendix

## Appendix A: Interview Guide Startup Employee

| Field of investigation | Question |
|---|---|
| Introduction | Introducing myself |
| | Explanation of the topic and purpose of my master thesis |
| | Ask for permission to record the interview |
| Personal background | Can you tell me something about the company you work at? |
| | What role do you play in the company? |
| | What are your tasks and responsibilities? |
| Lean Startup methodology | Can you share your experience in translating your visionary ideas into the structured framework of the Lean Startup approach? |
| | What challenges did you face during the initial transformation from vision to the Lean Startup methodology in your organization? |
| | How did your organization unfold the Lean Startup process, especially in terms of launching a Minimum Viable Product (MVP) and gathering insights through customer feedback? |
| | Can you provide insights into the role of leadership in maintain an organization's vision and strategic direction? |
| | What iterative processes did you employ to test hypotheses, validate assumptions, and refine your understanding of customer needs? |
| | When noticing that that the method you used did not satisfy your company or the customers can you elaborate on instances where your organization faced the trifold choice of Pivot, Continue, or Terminate? |
| | Can you share insights into how these decisions made feed back into the Vision? |
| Vision | How do you define the vision and strategic direction for your organization? |

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| | What are the key principles that you believe have helped your organization maintain a clear vision while handling uncertainties? |
| | What are some common mistakes that you've noticed when organizations attempt to maintain their vision? |
| | How do you ensure that changes and adjustments made align with your organization's goals? |
| Relationship between Lean Startup methodology and vision | Could you share a specific example of a situation where your organization faced the risk of losing its vision? How did you address this challenge? |
| | What role does experimentation and feedback play in maintaining your organization's strategic direction? |
| | How would you describe the process of pivoting within your organization? |
| | What are examples of decisions your organization made based on acquired knowledge from customer feedback? |

## Appendix B: Interview Guide Lean Startup Expert

| Field of investigation | Question |
|---|---|
| Introduction | Introducing myself |
| | Explanation of the topic and purpose of my master thesis |
| | Ask for permission to record the interview |
| Personal background | Please share a bit about your background and experience as a Lean Startup expert or startup coach |
| | What is your primary role and responsibility when working with startups as a Lean Startup expert? |
| Lean Startup methodology | Please elaborate on the specific ways you support startups in integrating the Lean Startup approach into their business models |

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| | In your experience, what challenges do startups commonly face when implementing Lean Startup principles, and how do you assist them in overcoming these challenges? |
| | How do you guide startups through the Lean Startup process, particularly in terms of launching a Minimum Viable Product (MVP) and gathering insights through customer feedback? |
| | In your coaching experience, how do startups typically approach the process of pivoting, and what key considerations do you emphasize during this phase? |
| Vision | How do you help startups define and refine their vision and strategic direction? |
| | From your perspective, what is the role of leadership in ensuring startups maintain clarity in their vision throughout their journey? |
| | What processes do you recommend for startups to test hypotheses, validate assumptions, and refine their understanding of customer needs? |
| | In instances where the chosen method does not meet the company or customer expectations, can you elaborate on how startups can navigate the trifold choice of Pivot, Continue, or Terminate? |
| | How do the decisions made in this process contribute to shaping the overall vision of a startup? |
| | How would you describe the process of pivoting within the startups you've worked with? |
| Relationship between Lean Startup methodology and vision | What role does experimentation and feedback play in maintaining the strategic direction of startups? |
| | What advice do you offer to startups to ensure that changes align with their overarching goals and vision? |
| | Based on your observations, what are common missteps startups make when trying to maintain their vision, and how do you guide them in avoiding these pitfalls? |

Could you provide examples of decisions startups made based on acquired knowledge from customer feedback?

Could you share a specific case where a startup you've worked with faced the risk of losing its vision? How was this challenge addressed, and what were the outcomes?