



## The Iceberg Index Checklist

The Titanic Effect™ occurs when a series of decisions and tradeoffs early in a startup’s life make it more vulnerable to failure.

Here are key components to look for and evaluate with assessing a startup’s plan to systematically navigate uncertainty and mitigate the Titanic Effect™.

Navigating the Human Ocean	
Founding Team	<ul style="list-style-type: none"> <li><input type="checkbox"/> Team has PEP (Passion, Experience and Persistence)</li> <li><input type="checkbox"/> Vesting plan allocates equity over time</li> <li><input type="checkbox"/> Equity is earned based on contribution</li> <li><input type="checkbox"/> Equity pool has future set aside</li> <li><input type="checkbox"/> Founding Team has diversity in terms of industry, technology and diversity</li> <li><input type="checkbox"/> Team has time and energy to move the venture forward</li> </ul>
Investors/Advisors	<ul style="list-style-type: none"> <li><input type="checkbox"/> Has advisors who are engaged</li> <li><input type="checkbox"/> Investors/Advisors are invested and/or have ability to invest</li> <li><input type="checkbox"/> Have market/industry experience</li> <li><input type="checkbox"/> Have diverse network including customers and other funding sources</li> <li><input type="checkbox"/> Have ability to follow-on invest</li> <li><input type="checkbox"/> Are responsive but do not monitor and expect daily/weekly reports</li> <li><input type="checkbox"/> Have reasonable expectations re: payback in whatever form</li> </ul>
Employees	<ul style="list-style-type: none"> <li><input type="checkbox"/> Balances talent versus cost</li> <li><input type="checkbox"/> Are adaptable</li> <li><input type="checkbox"/> Company core values drive strategy, tradeoffs and hiring</li> <li><input type="checkbox"/> Are committed to company values</li> <li><input type="checkbox"/> Has stage appropriate employee base</li> <li><input type="checkbox"/> Balances outsourced work with internal competencies</li> </ul>



<b>Navigating the Marketing Ocean</b>	
<b>Segmentation</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Segments are based on multiple factors, not just demographics</li> <li><input type="checkbox"/> Have profiles that clearly differentiate segments of customers including needs, pain points, price sensitivity, decision making process and sources of information</li> <li><input type="checkbox"/> Identified a single primary target segment</li> <li><input type="checkbox"/> Prioritized process to target subsequent segments</li> </ul>
<b>Positioning</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Clearly belongs in a well-known category</li> <li><input type="checkbox"/> Customers would agree that offering belongs in this category</li> <li><input type="checkbox"/> Customers recognize the common characteristics of products in this category</li> <li><input type="checkbox"/> Have a clear and unambiguous point of differentiation (POD) that customers can detect and is important to them</li> <li><input type="checkbox"/> POD is used consistently and has not changed since inception</li> </ul>
<b>Tactical Implementation</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Customers recognize this need is unmet and are looking for a new solution</li> <li><input type="checkbox"/> Customers are willing to pay to try it</li> <li><input type="checkbox"/> Pricing is based on value provided to customers</li> <li><input type="checkbox"/> Direct selling process is scalable</li> <li><input type="checkbox"/> Channel partners actively involved in helping sell</li> <li><input type="checkbox"/> Well-formed inbound advertising plan</li> <li><input type="checkbox"/> Well-formed outbound advertising plan</li> <li><input type="checkbox"/> Marketing process is well-aligned through both sales and marketing</li> </ul>



### Navigating the Technical Ocean

Validation	<ul style="list-style-type: none"> <li><input type="checkbox"/> Tests the assumption that your solution meets customers' needs and they need it now before starting design process</li> <li><input type="checkbox"/> Questions feedback before changing assumptions</li> <li><input type="checkbox"/> Has thoroughly reviewed competitor offerings to make sure solution is needed</li> <li><input type="checkbox"/> Has a strong understanding of the user experience</li> </ul>
Design	<ul style="list-style-type: none"> <li><input type="checkbox"/> Design process is laid out in advance</li> <li><input type="checkbox"/> Process includes getting customer feedback throughout the design process</li> <li><input type="checkbox"/> Ideal design has been decomposed to the simplest core – the Minimally Viable Product (MVP)</li> <li><input type="checkbox"/> MVP has been designed for multiple platforms and use cases</li> </ul>
Development	<ul style="list-style-type: none"> <li><input type="checkbox"/> Development is done by a team rather than a single person</li> <li><input type="checkbox"/> Development team has a process for managing changes over time</li> <li><input type="checkbox"/> Development process incorporates peer review</li> <li><input type="checkbox"/> Development timeline incorporates time to make sure work is done correctly</li> <li><input type="checkbox"/> Maintains a backlog of unfinished development tasks</li> <li><input type="checkbox"/> Captures user activity and metrics to assess feature use</li> </ul>

### Navigating the Strategy Ocean

<ul style="list-style-type: none"> <li><input type="checkbox"/> Plans to coordinate activities across Human, Marketing, and Technical Oceans</li> <li><input type="checkbox"/> Does not overly focus on one Ocean more than others</li> <li><input type="checkbox"/> Has metrics in place for key milestones</li> <li><input type="checkbox"/> Has designated individual responsible for key activities and metrics</li> </ul>
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