C4DLab, one of the main start-up incubation labs at the University of Nairobi, is now looking to run lean, until the break-even point. But before the well-considered decision, it did not yet know how. Majority other small businesses– and even big(er) ones– might be in the former position of this lab that is barely two years old since its activation.

Fortunately for C4DLab, the trusted answers were found. For those who may just be wondering what they are, here is what the hub's research team gleaned from the three currently popular books on start-up formation and management: Eric Ries', *The Lean Startup*, Ash Maurya's *Running Lean*, and Alex Osterwalder and others' *Value Proposition Design*. Not forgetting Ash Maurya's other resource: *Lean Canvas*.

Though *The Lean Startup* and *Running Lean* are good in themselves, they are not practical enough. That leaves us with *Value Proposition Design* and *Lean Canvas*, which C4DLab is relying on to come up with a fruitful business model.

Consequently, Ash Maurya 's *Lean Canvas* proposes nine elements of an effective business model while Alexander Osterwalder's *Value Proposition Design* has dedicated 4 chapters to demonstrating and explaining "How to create products and services customers want".

Beginning with the *Lean Canvas*, a good business model has a well-defined 'Problem', Customer Segments, Cost Structure, Solution, Key Metrics, Unique Value Proposition, Unfair Advantage, Channels as well as Revenue Streams.

On the **Problem**, the business model designer is advised to list their top 1-3 problems before settling on the real one. Doing this effectively requires taking into account the existing alternatives, ruled out by how they solve the problem. When it comes to **Customer Segments**, listing target customers is necessary; while listing their characteristics for better product design.

The **Solution** offered has to fit with the customer's needs and preferences. The process is supposed to end in the ninth step of the canvas, for a start. But review can go on and on for better results.

And suppose the business model designer wants a better-best value proposition, the recourse would be to the *Value Proposition Design* by a team of authors led by Alexander Osterwalder. The four steps the sequel to the Business Model Generation proposes begin with the "Canvas" chapter, which also entails "Customer Profile", "Value Map" and other useful ideas.

The "Design" chapter of the book offers tips on prototyping possibilities, starting points, understanding customers, making choices, finding the right business model and so on. Moreover, with *Value Proposition Design*, testing your business model needs to be much easier: the authors have specified what to test, step-by-step, using the "Experiment Library", before "bringing it all together".

The last chapter on "Evolve" advises on how to create a good team alignment, measure and monitor the business– which is also required to improve relentlessly and reinvent constantly.