

# Test your riskiest assumption before you build anything.

## Background

Eric Ries · *The Lean Startup* · 2011

Every business model is a stack of assumptions. A Rapid Experiment targets the highest-risk assumption and tests it as cheaply as possible — before you build, before you fundraise, before you commit. The goal is not proof. The goal is evidence.

## How to Run This

- 1 List 5–8 assumptions embedded in your idea.
- 2 Score each on Confidence (how sure are you?) and Consequence (how fatal if wrong?).
- 3 Target the assumption with lowest Confidence × highest Consequence.
- 4 Design the cheapest experiment that would give you real evidence.
- 5 Set your pass/fail threshold before you run it.

## Facilitator Tips

### Common mistake

Designing experiments that can only confirm. A test that can't fail is not a test — it's theatre.

### What good looks like

An experiment that runs in under a week and costs under \$500.

### When to move on

When you've run the experiment and can say whether the assumption held or broke.

## About Wade Institute

Wade Institute of Entrepreneurship is Australia's leading centre for entrepreneurial education, based at the University of Melbourne. The Studio is Wade's free, AI-powered innovation workshop platform — making 24 structured frameworks available to anyone, each one facilitated by Pete, an AI coach trained in Wade's methodology.

## Try this interactively in The Studio

Pete will help you surface your assumptions, rank them by risk, and design the cheapest possible test. You'll leave with an experiment you can run this week and a session report.

[studio.wadeinstitute.org.au](https://studio.wadeinstitute.org.au) →

**1 THE IDEA**

What are you testing?

**2 ASSUMPTION INVENTORY**

List all the things that must be true for this idea to work.

**3 RISK MATRIX**

Plot assumptions by risk and evidence. High risk + low evidence = test first.

**4 CHOSEN ASSUMPTION**

Which single assumption are you testing right now? Why this one?

**5 EXPERIMENT DESIGN**

How will you test it? What method will you use? Who will you talk to?

**6 SAMPLE**

Who will you test with and how many?

**7 SUCCESS METRIC**

What number or outcome tells you it passed?

**8 TIMELINE**

How long will the experiment take?

**9 FIRST STEP**

What do you do in the next 48 hours to begin?