Learning from Our Mistakes

Discussion and Practice with Optimization Goals

Who we are

Irina Skrypnik

- 7 years in Scrum, 5 in LeSS
- Scrum Master
- Agile Lead @ Manychat
- LeSS practitioner

Dmitry Kushnikov

- 8 years @ Manychat: from 4 to 240 people
- Backend Engineer → Backend Lead → Head of Engineering → CTO → COO
- 20+ years of experience in tech startups and software engineering
- LeSS utilizer

We are the team



Manychat is...

Manychat in numbers

#1

Platform Manychat is the most used Chat Marketing Platform

1M+

Customers use Manychat for marketing, sales & support

1B+

Conversations powered by Manychat in the last year

170+

Countries use Manychat

200+

People on Manychat team

50+

People in Manychat Engineering

Global Team

in Spain, Armenia, Netherlands, USA and Brazil. Relocation support

Manychat is Chat Marketing platform.

We enable businesses to drive more sales and conversions on messaging apps such as using automation.

Instagram

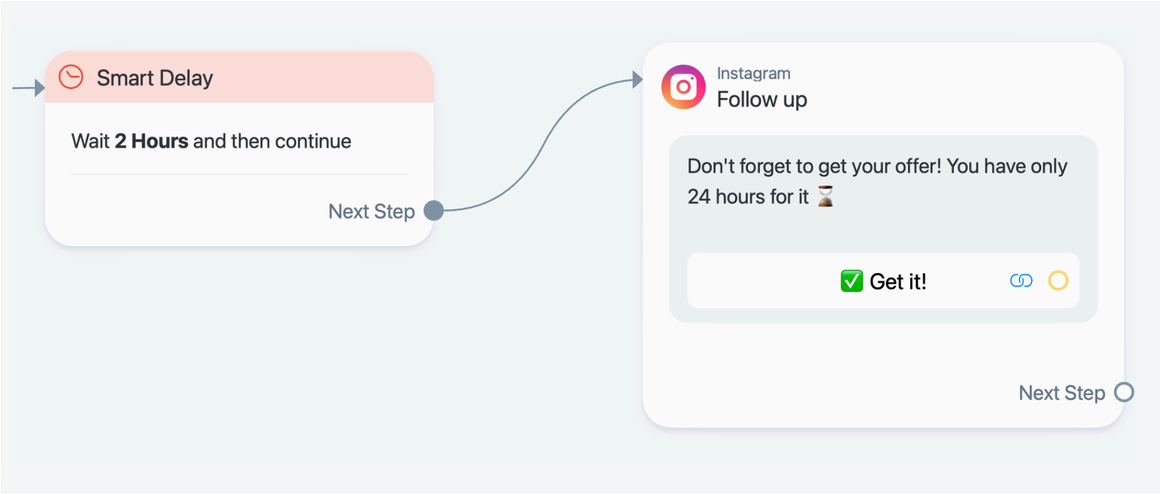
Automate your
Instagram Marketing

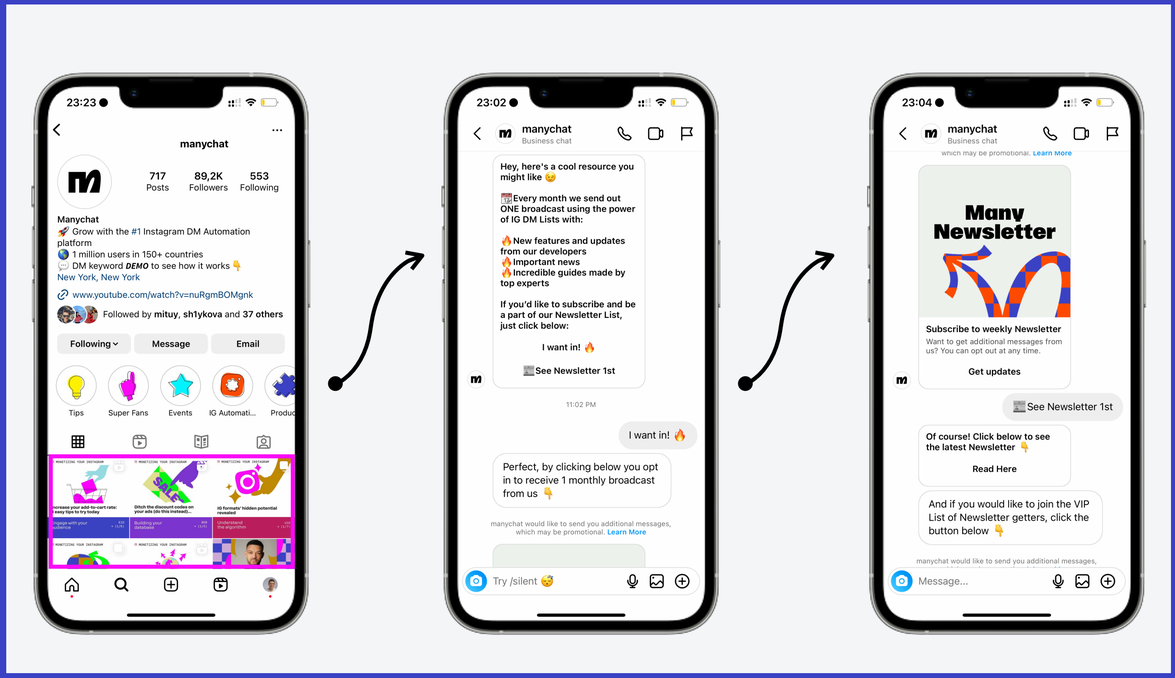
WhatsApp

Connect with your
Customers Instantly

Messenger

Facebook Messenger
chatbot #1





Ask AI to create broadcasting content

What is your broadcast about?

I want to send broadcast for the spring sale. We sell bags and make a discount on the entire spring collection.

Call-to-action link

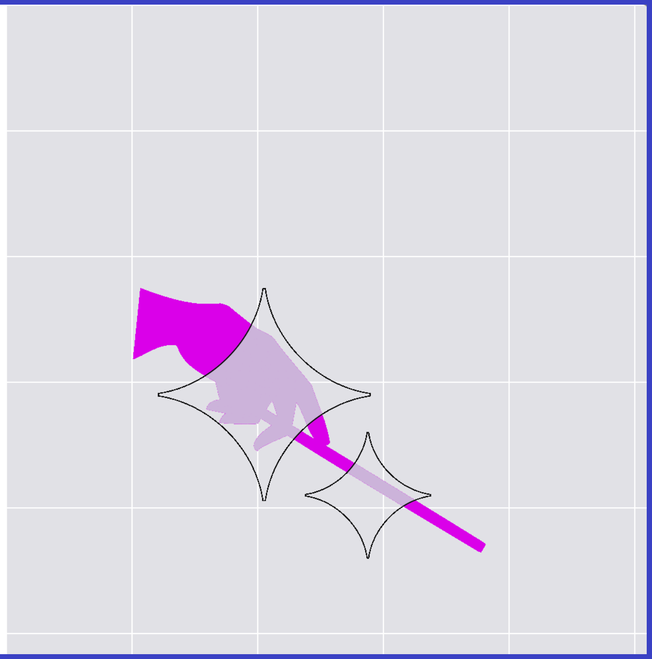
https://yourwebsite.com

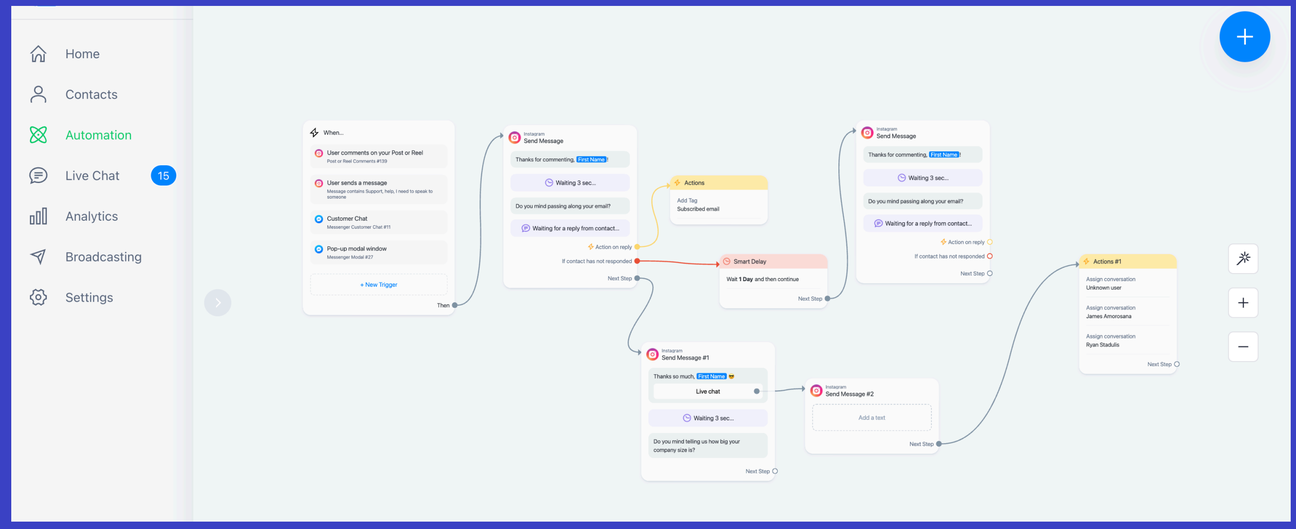
Tone of voice

Engaging

Enter a custom tone or choose a preset tone

Output language





Manychat as a system

- Product-Led organization
- OKRs-driven organization
- Utilizing LeSS from 2018
  (now we have the 3rd edition)

Why Manychat uses Optimization goals

- the company as a team
- environment to build a great product
- adaptability to navigate through changes
- consistency of decisions made by leaders

Goals (as pillars) support the continuous growth of **business**, **company**, **product**, and **people**

Workshop

About the workshop:

Our goals for today:

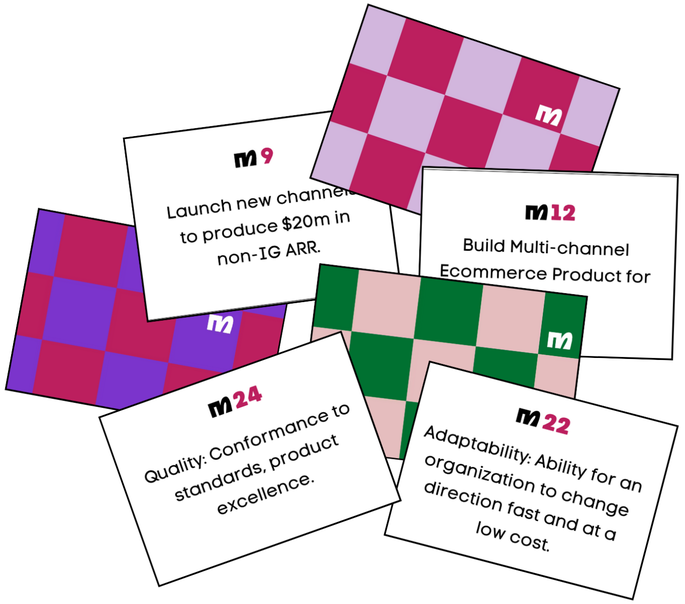
- Share our real experience with optimization goals.
- Give you a chance to apply this approach based on our insights.

Expected outcomes:

- You've explored optimization goals through a live example, assessed its value for you, and learned from our mistakes.

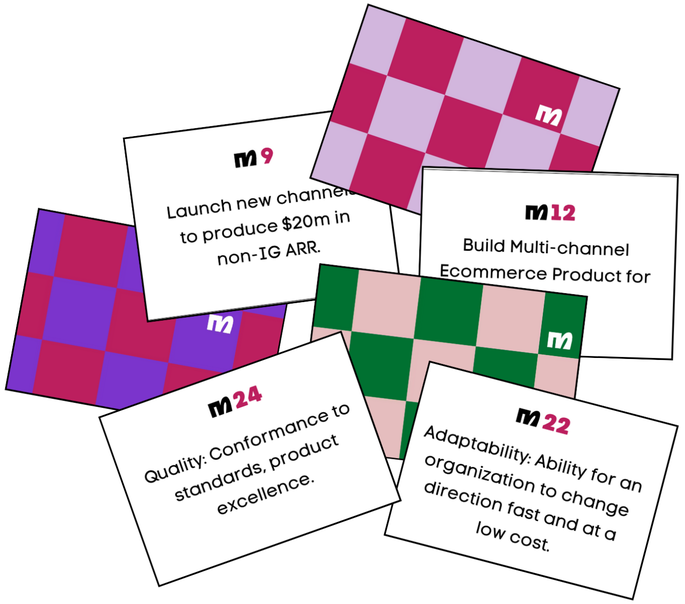
All the data is real, right down to the team names and the exact numbers.

Warm-up


m9
Launch new channel
to produce $20m in
non-IG ARR.
m12
Build Multi-channel
Ecommerce Product for
m24
Quality: Conformance to
standards, product
excellence.
m22
Adaptability: Ability for an
organization to change
direction fast and at a
low cost.

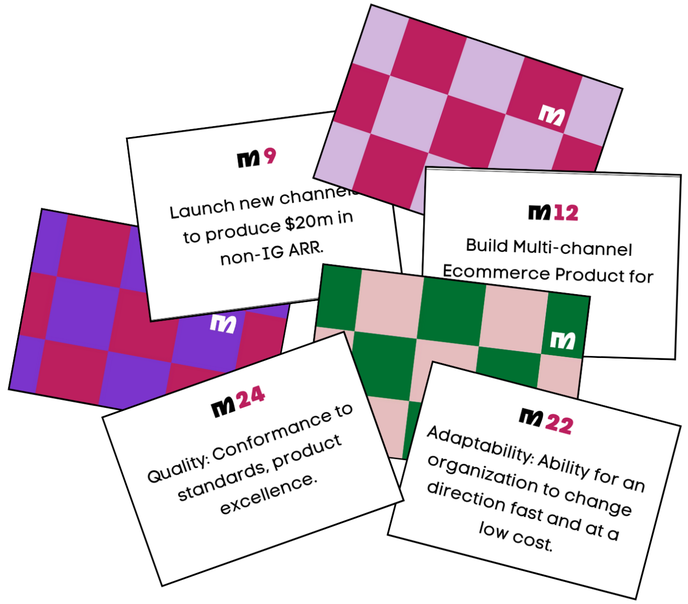
Warm-up

1. Take one card.



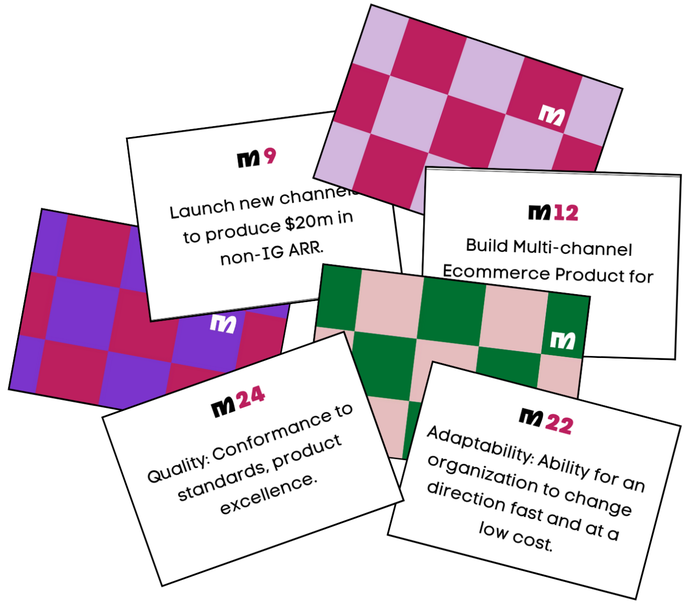
Warm-up

1. Take one card.
2. **Pass the cards as many times as possible within 10 seconds.**



Warm-up

1. Take one card.
2. Pass the cards as many times as possible within 10 seconds.
3. **Time’s up! Grab a card and form groups of 5-6 people.**



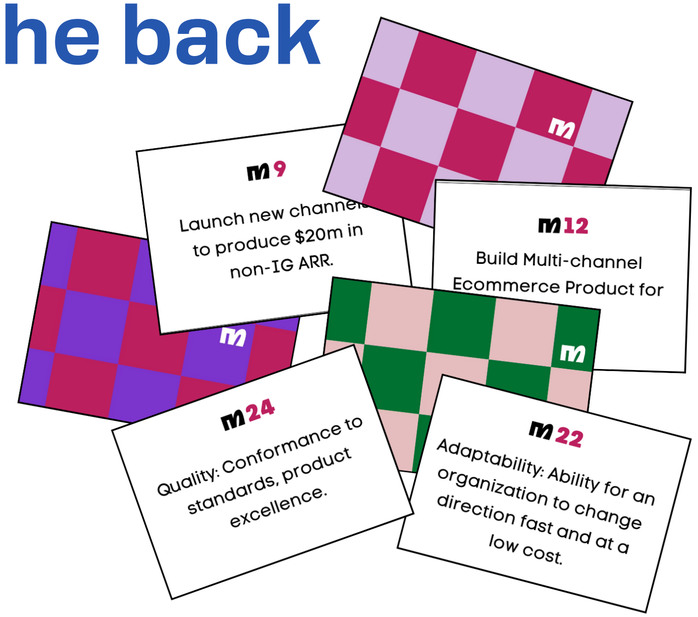
Warm-up

1. Take one card.
2. Pass the cards as many times as possible within **10 seconds.**
3. The time is up! Grab one card and form groups of 4-5 people.
4. **Read all the cards. What's on them: a business goal or an optimization goal? Mark on the back of the card:**

   B = business goal,

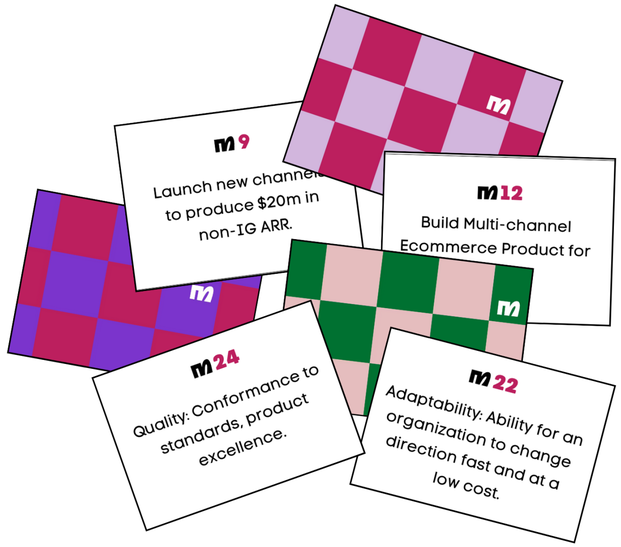
   O = optimization goal.

   90 seconds

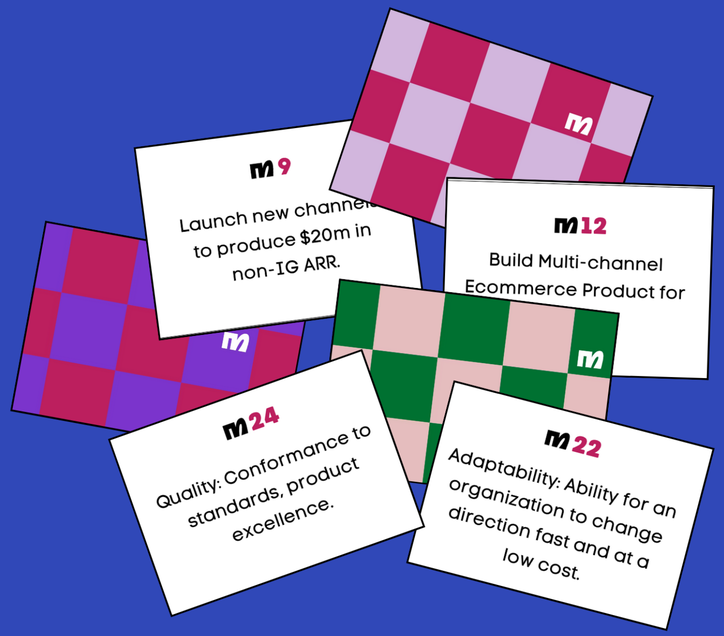


Warm-up

1. Take one card.
2. Pass the cards as many times as possible within 10 seconds.
3. The time is up! Grab one card and form groups of 5-6 people.
4. Read all the cards. What's on them: a business goal or an optimization goal? Discuss why.
5. On the back of the card, mark:
   B = business goal,
   O = optimization goal.
6. **Repeat :)**



How would you describe the difference between optimization goals and business goals?



Business Goals

m1 Grow Instagram NRR Month1 from 85% to 95%.	**m2** Grow non-sales revenue to $20m ARR.	**m3** Run the first test of sales acquisition strategy for midmarket customers.	**m4** Launch Manychat Inbox and grow it to $200k ARR.
m9 Launch new channels to produce $20m in non-IG ARR.	**m10** Launch Manychat Sales and achieve 100% M1 NRR.	**m11** Run a successful Manychat Inbox Pilot / MVP.	**m12** Build Multi-channel Ecommerce Product for Shopify.
m17 Grow agency driven ARR from $10m to $12m.	**m18** Grow to 100K paid accounts and $20M ARR.	**m19** Release SMS & Email to support our vision for the multichannel marketing platform.	**m20** Grow Agency Partner Program to 1000 active agencies.
m25 Increase Activation Rate of IG 10K+ accounts from 22% to 33%.	**m26** Upgrade our Monetization model.	**m27** Launch Web Chat as a new channel.	**m28** Increase Setup Rate by X%.

Optimization Goals

m5 The ability and readiness to take any initiative and dig to the necessary depth.	**m6** An environment that supports the growth and development of teams and people.	**m7** The ability to deliver the highest business value.	**m8** Security: Critical information protection.
m13 Quality & Stability: Develop a user experience that is unwavering in its stability and sustainability, gaining the loyalty of all who come to encounter it.	**m14** Learning & Expertise: Gain, prove, and share knowledge to redefine expectations through innovation.	**m15** Scalability & Predictability: Scale the value, not the costs.	**m16** Fast experiments that lead to explosive growth.
m21 Speed: Shortest time from idea to delivery.	**m22** Adaptability: Ability for an organization to change direction fast and at a low cost.	**m23** Reliability: Delivery with low deviations from the plan.	**m24** Quality: Conformance to standards, product excellence.
m29 Resource efficiency: Efficient use of people and other resources.	**m30** Ideation: Maximize the number of innovative ideas and creativity.	**m31** Learning: Gain knowledge about customers and their needs, the market, & new technology.	**m32** Safety: Protection from danger, risk, or injury.

Look at the people in your final small group. This is your team for today's workshop.

Business goals

- Focus on influencing the **external** system such as market conditions, competitors, and economic trends.
- The results are **beyond** the company's control.
- Decisions are driven by **vision and data**

Optimization goals

- Focus on influencing the **internal** system such as organizational design and processes
- The results are **under** the company's control.
- Decisions are made based on **approaches** such as systems thinking.

Our question for today is...

Market State

Business goals

Optimization goals

Org design & processes

Strengths & weaknesses:

Are our optimization goals good or bad?

Market State

Business goals

Optimization goals

Org design & processes

Strengths & weaknesses:

Are all these four elements aligned or not?

Let's practice

Practice

This is our actual Product organizational structure for Q2 2022.

It includes Market state, business goals, along with an organizational design and processes. What's missing are the **optimization goals.**

We invite you to find them.

Please look at the instructions.

Q2 2022 Product Group Structure

Market

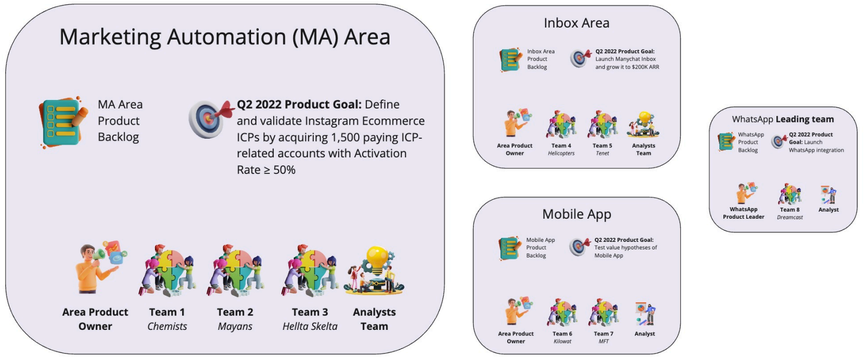
- **Regions:** The US, Europe, Latin America
- **Market Type:** Emerging, growing, innovative market
- **Competition:** There are few competitors

Product

- **One Product:** Manychat
- **Partial Product-Market Fit** – currently searching for the Ideal Customer Profile (ICP)

Org Design & Processes

- **Teams** are autonomous, self-managing, and cross-functional (backend, frontend, design).
- **No dedicated QA engineers.**
- **Sprint duration:** two weeks.
- **Engineering practices:** Strong Definition of Done (DoD), Continuous Integration, Automated Tests.
- **Early adopters community.**
- **Learning and development:** Communities of Practice, Facilitation School, Internal Feedback Training, and certified internal coaches.



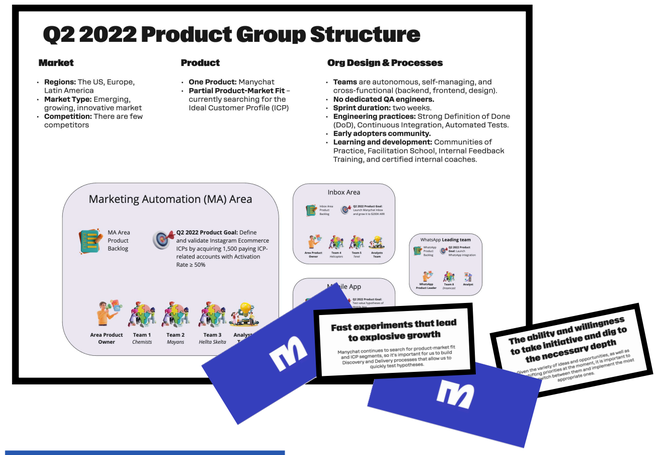


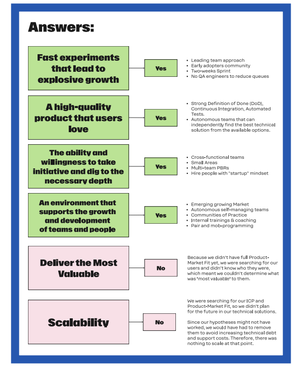
Practice

Choose a timekeeper.

1. Take the structure sheet and cards. Identify which optimization goals align with the structure and which don't.
2. Check your answers using the answer sheet.
3. Review Manychat's 2022 optimization goals. Note strengths and weaknesses, and be ready to share in 1-2 sentences.

You have 15 minutes.







Strengths

- They exist in a healthy mutual tension.
- They are aligned with business goals and the current market state.
- There is a clear "why" behind them.

Weaknesses

- Mix of optimization goals and outcomes beyond our control.
- Not integrated into existing systems: no reference to org design, values, etc.
- No indicators to track them.
- These goals weren’t transparent, so managers and teams couldn’t use them for decision-making at their level.

Adaptability of our System goals

2024 Opt goals draft

1. Quality & Stability:

Develop a user experience that is unwavering in its stability and sustainability, gaining the loyalty of all who come to encounter it.

Values related: **CARE INTENSELY, DAZZLE CUSTOMERS**

2. Learning & Expertise:

Gain, prove, and share knowledge to redefine expectations through innovation. Foster a continuous feedback loop to solve the problems that matter most to our customers.

Values related: **DAZZLE CUSTOMERS, THINK BIG**

3. Scalability & Predictability:

Scale the value, not the costs. Hold yourself and others accountable for the future that lies ahead

Values related: **THINK BIG, DELIVER RESULTS**

An important characteristic of systemic goals is that they need to be adaptable as the market and company grow and/or change.

Over the past two years, Manychat has evolved, and we are now developing a draft of optimization goals for the current state of the market and company.

Take a look at them and compare them to the 2022 optimization goals

- **What shift do you see?**
- **What characteristics do strong optimization goals possess?**

Serious play :)
Optimization goals should be

Meaningful
Aligned
Nurturing
Yielding
Consistent
Holistic
Adaptive
Tracable

Our lessons learned:

- The goals work for me
  - Strategy and tactics decision-making
- The goals work for us as a team (with Ira)
  - Brainstorming and reflect potential changes
- The goals partially works for leaders
  - Depend of the level

Goals should be adjusted to the company and product stage

Our key takeaways:

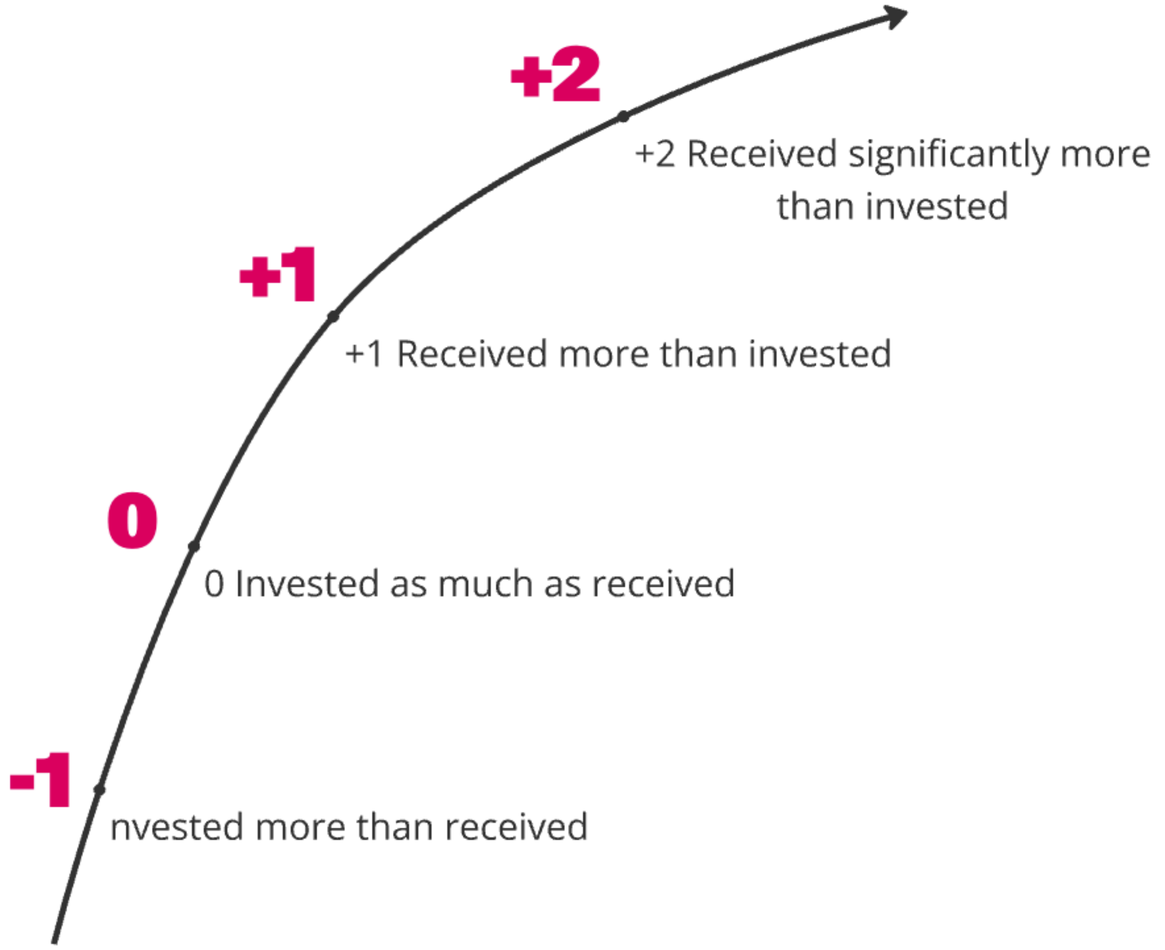
- We don’t use the whole potential of the goals
- We don’t review the system from the perspective of the goals enough
- We don’t share the goals and their meaning enough with other leaders

Return of time investment

You've invested your energy, attention, and time into this workshop today.

But how much did you get in return?

Evaluate and mark it on the scale individually.



Thank you!

Let’s keep in touch

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