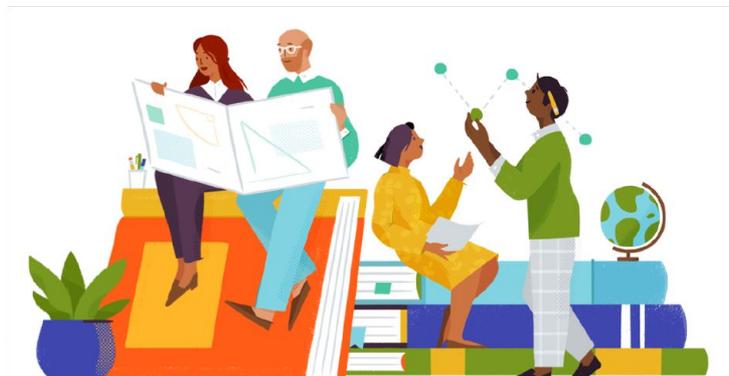


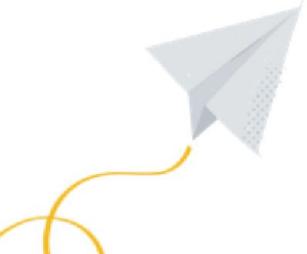
Building a Culture of Innovation

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Agenda

1. (re)Intro to Slack – product & company
2. What we know about innovation
 - a. Top 3 predictors
 - b. Top 3 barriers
 - c. How we think about innovation
3. Lessons learned so far





(Re)Introduction to Slack



Slack brings people & apps together

Conversations take place in channels or direct messages

The screenshot displays the Slack interface for a channel named "#project-nano". On the left sidebar, the "ACME" workspace is shown with a list of channels including #accounts, #accounts-hiring, #advertising, #cats, #engineering, #feat-homepage, #general, #intros, #office-nyc, #project-nano (highlighted), #random, #slack-tips, #show-and-tell, and #zendesk. Below the channels are direct messages with users like slackbot, Abby, David, Erik, Heidi, Jane, Josh, Mallorie, Marcus, and Rafael. The main channel view shows a search bar at the top right, a "Today" header, and a series of messages: a Google Calendar bot notification for a "Nano launch planning" event on Jan 12 from 3:00 PM to 4:00 PM; a message from Marcus sharing a file titled "Project Nano Specs" from Google Drive; a message from Abby stating "Great we can go over the specs in the meeting and finalize what needs to get done."; a Trello bot notification for a new card "Launch Checklist" added to the "Project Nano" list; and a message from Jane thanking everyone for the meeting and sharing an agenda item: "Update on nano design". On the right, a panel titled "About #project-nano" shows channel details, purpose, current topic, and a list of 7/9 members (Abby, David, Erik).

Everything in Slack is automatically indexed, archived, and easily searched

Apps enable you to connect the tools and services to keep everyone updated

Upload files, create snippets or posts, type rich messages, or use slash commands or emoji in any conversation

8+ million people use Slack every week

2.25

Hours daily active user
engagement

52

NPS Score
(avg ent. company = 20)

50k

Work teams

43

Fortune 100
paid customers

56%

Weekly active users
outside US



STATE STREET

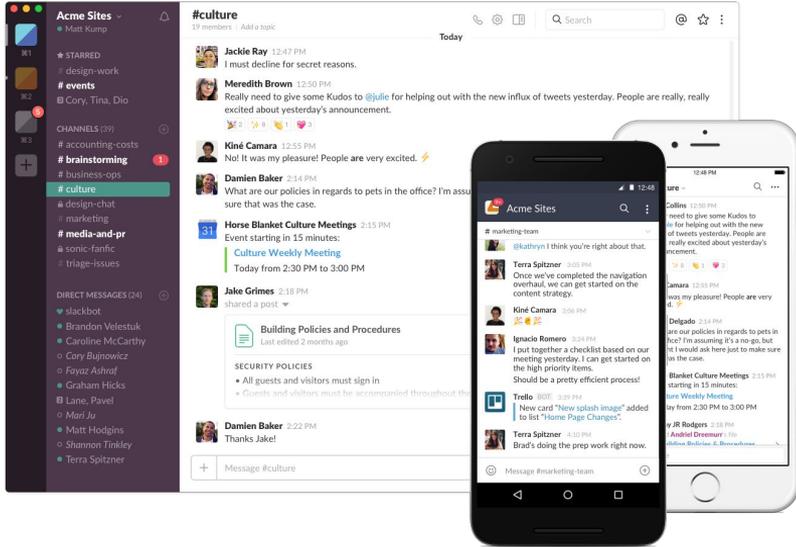
CONDÉ NAST



Liberty Mutual
INSURANCE



Where work happens.



- **Public launch: Feb 2014.**
1M daily active users in June 2015 and **>6M** daily active users today.
- **\$750M** in capital raised.
- **900+** employees across **8** offices worldwide, HQ in San Francisco.
- **Crossed \$200M** in ARR earlier this year. Revenue growth rate over 100% annually.
- **50,000+** paying teams, with **45% of paid seats outside U.S.** 43% of the F100 have paid teams on Slack.
- **Diverse set of industries**, including software/technology, retail, media, telecom and professional services.



What We Know About Innovation

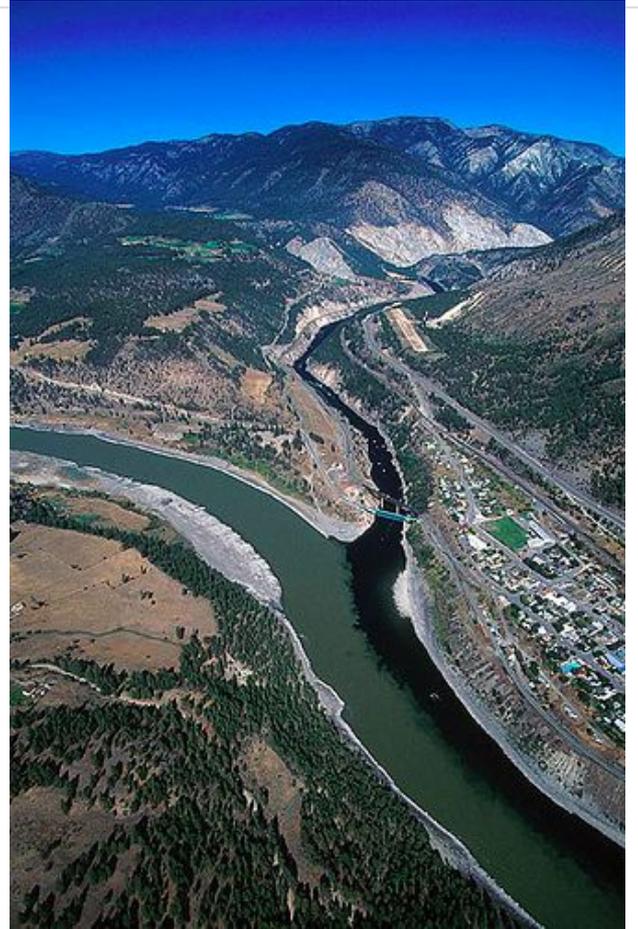


How you view the world



Top 3 predictors of success in uncertainty

- Growth Mindset
- Curiosity to build broad repertoire
- Empathy for customers



Successes – Examples from your work

- Of a Growth Mindset?
- Of how curiosity to build broad repertoire has helped?
- Of empathy for customers?

Top 3 barriers to successful innovation

- Need for “big ideas”
- Obsession with analytics
- Growth gridlock



Barriers – Examples from your work

- Of the need for “big ideas”?
- Of an obsession with analytics?
- Of growth gridlock?



Lessons Learned So Far



Change is hard but happens every day

I'm starting with the man in the mirror
I'm asking him to change his ways
And no message could have been any clearer
If you wanna make the world a better place
Take a look at yourself, and then make a change

– **Michael Jackson**

Most people overestimate what they can do in one year and underestimate what they can do in ten years.

– **Bill Gates**

Chance favours the prepared mind.

– **Louis Pasteur**



Innovation is a stochastic process.
(Based on probabilities.)





“We are what we repeatedly do.
Excellence, then, is not an act,
but a habit.”

Culture: 3 New Settings for Innovation



- Need for “big ideas” → Only fast ideas
- Obsession with analytics → Learning & sharing
- Growth gridlock → Volunteer resources

Culture: the 5 Ways We Do Things Here

- Risk → Worst-case scenarios
- Incentives → Setting high scores
- Delegation → Disagree & commit
- Quality → Lifespace & visibility
- Authority → Daily standup



WHAT
GOOD SHALL
I DO THIS
DAY?



Thank You!

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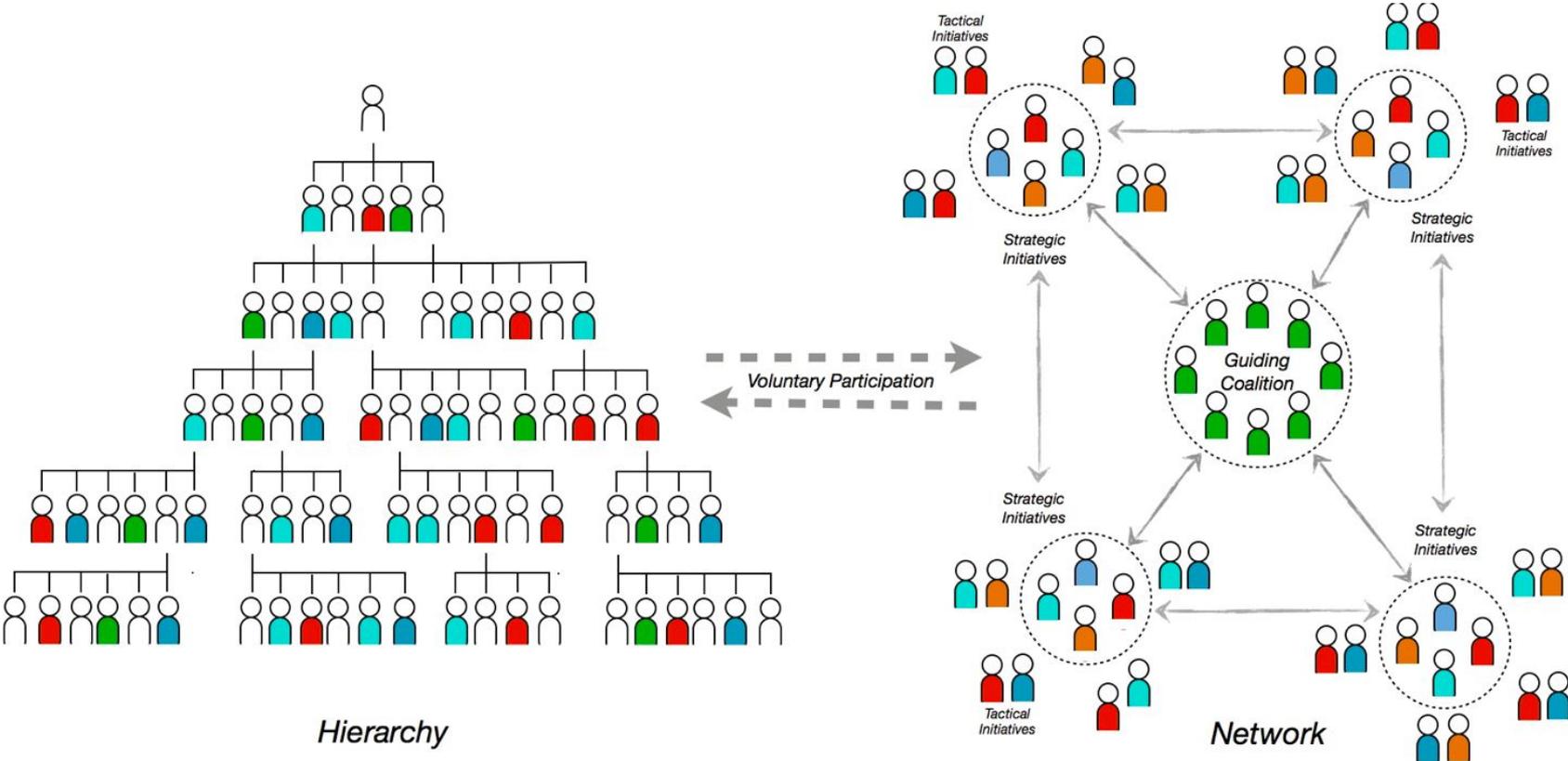




Appendix

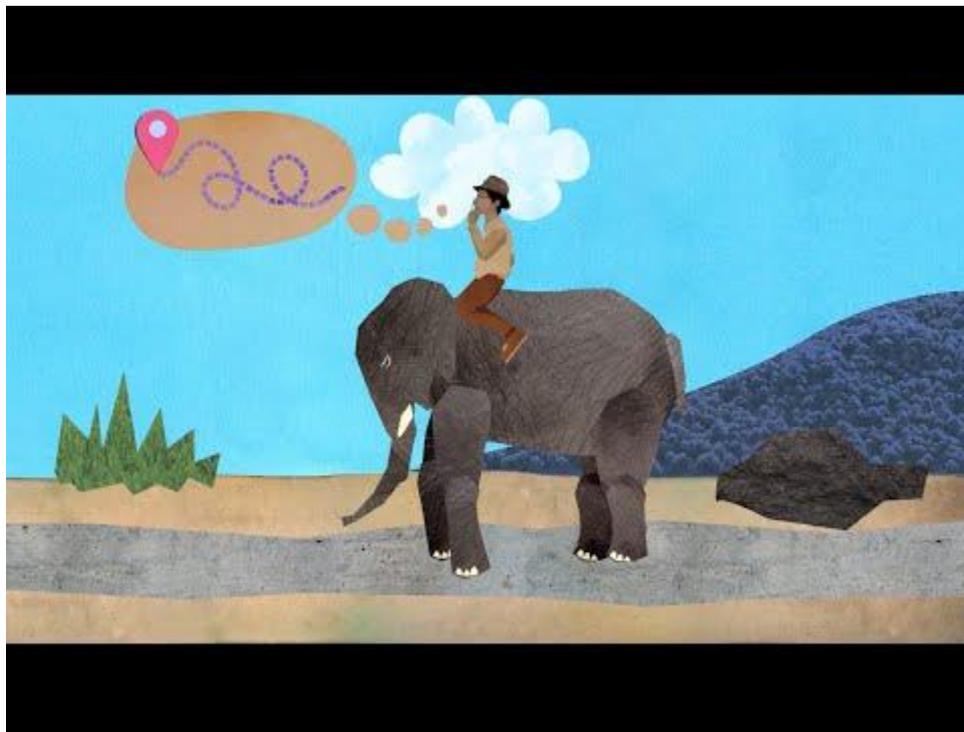


Dual operating model of change





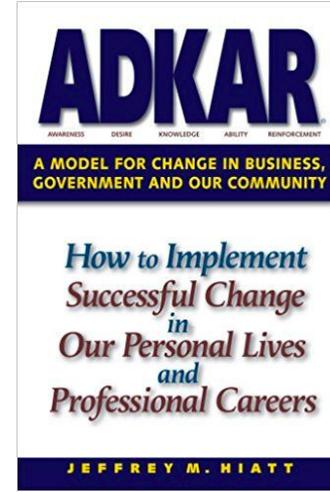
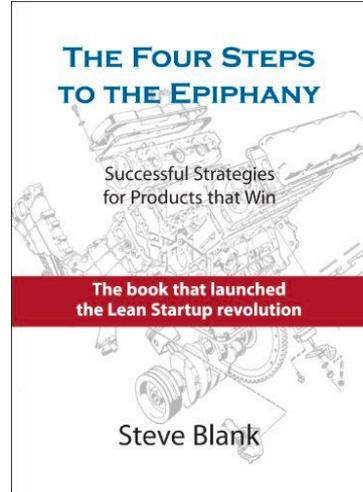
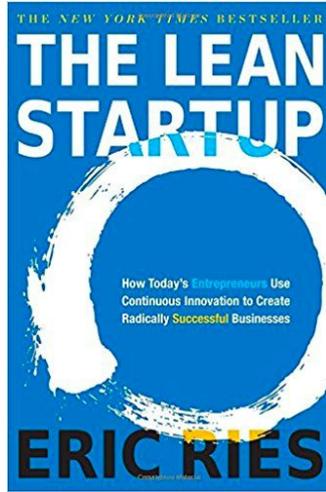
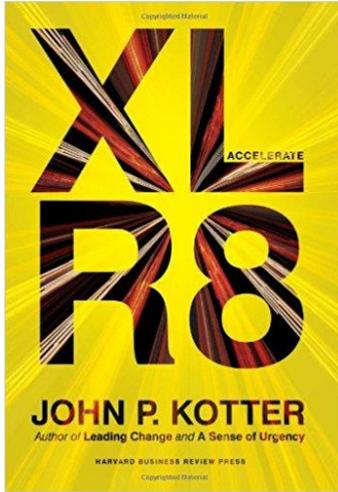
Human Dual Operating Model



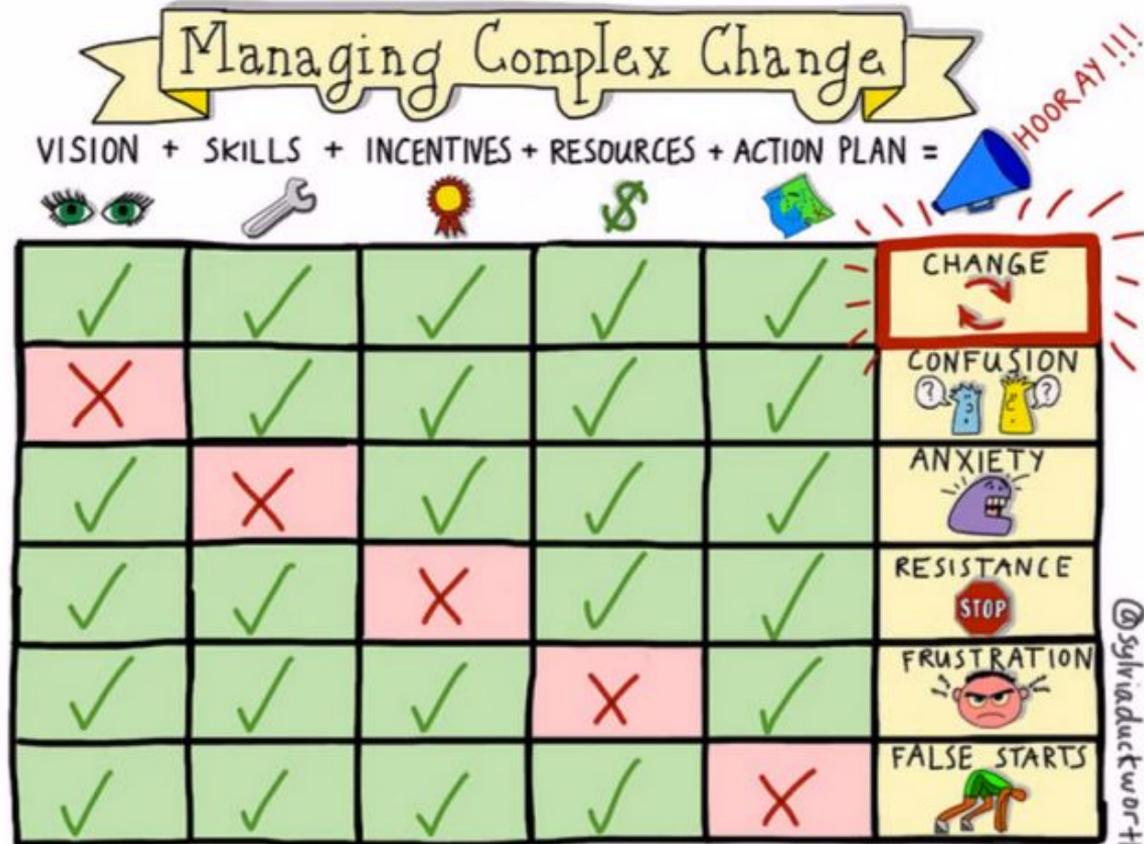
Fear: Name It

| | What will go wrong? | How will it go wrong? | Why will it go wrong? |
|------------|---|--|---|
| Your POV | Customer are one and done – don't repeat purchase. | Each customer provides some lessons and we need enough to draw patterns. | The heavy consumers (whales) in the market buy through relationships and we don't have those. |
| Team's POV | The company will run out of money. | The boss went on trips and didn't come back with new customers. | Customers are idiots and don't get our new model. |
| Boss' POV | There won't be enough sales expertise in the company. | The team will focus on the things they can do and not face the market reality. | Too slow to get enough customer repetitions to see patterns and then adjust. |

Fear: Eat It



Fear: Work the System – Rinse, Repeat



Adapted from Knoster, Villa, & Thousand