



TWELVE MAVENS

OKRs: Objectives and Key Results

How Great Organizations Measure And Execute

“If you don’t know where you’re going, you might not get there.”

Yogi Berra

Objectives: Are WHAT you want to be achieved. Significant, concrete, action oriented and inspirational. (Not fuzzy hopes) The objective can last for a year or longer. They should be so crisp that they fit on one line.

Key Results: Benchmark and monitor HOW you’ll get to your objective. Key Results must be specific, time bound, aggressive, realistic, measurable and verifiable. It’s like entering the name of a state into GPS vs. the exact address. They only result in either completed or not completed. They are either fulfilled or not. No grey areas. They evolve over time. Key results must describe specific detailed outcomes NOT activities. Explain to your people what’s important about them.

OKRs create transparency, focus, alignment and engagement. Use OKRs to help the company focus on what takes it to the next level. Use them as a tool (not a weapon) to help everyone at all levels stay focused on the most important goals. OKRs coordinate all the goals and actions of individuals and tracks their progress.

Leaders tell everyone what they think is most important and why.

Contributors should ask how they can get there.

The conversation should turn into written form allowing everyone to know what everyone else is going to be doing.

Be open and honest about your progress with each other. Example: “here are my 3 objectives but I’m failing miserably at this one.”

When goals are public and visible to all, teams can attack trouble spots where ever they surface. If someone is hitting goals out of the park all the time, investigate. If someone is never hitting goals, investigate.

An OKR can be modified or even scrapped at any point within its cycle. OKRs are works in progress.

Examples of OKRs:

Weak OKR:The objective is winning the Indi 500 with KR of increasing lap speed and reducing pitstop time.

Average OKR: The objective is winning the Indi 500 with KR of increasing lap speed of 2% and reducing pitstop time by 1 second.

Strong OKR:

The objective is winning the Indi 500 with KR of increasing lap speed, test at wind tunnel ten times, reduce pitstop errors by 50%, reducing pitstop time, practice pitstops for 1 hour every day.

Add "A.M.B." To the end of your goals. (As Measured By) Be specific. Keep the number of your objectives small to allow greater focus.

OKRs should speak to the intrinsic value of the work itself and bonuses are just a nice addition, but not the primary driving force.

For an OKR system to function effectively, the team deploying it must adopt it universally. No exceptions. Have "OKR shepherds" help get OKRs into your DNA.

The act of your people writing down then sharing their goals with each other on its own is statistically proven to increase the odds of them reaching them. If they share their progress with each other frequently, it improves the odds of reaching them even more.

OKRs should be scrutinized several times every quarter. Teams and departments should hold regular meetings to evaluate progress on shared objectives, touching base frequently. If an OKR is failing, a rescue plan gets devised. The more disperse the team members, the more frequently they should touch base.

OKRs do NOT expire with the completion of the work. They should be analyzed afterwards in "wrap ups" that include:

1) **Objective scoring:** Mark what was achieved and how it might be different / better next time. Average % of completion rates by its associated results. Example: 70% is good. If you measure OKRs

being achieved or not with green or red, you don't want all greens all the time. It means you're not pushing yourselves enough.

2) **Subjective self assessment:** These should be used as guides, NOT as grades.

3) **(Formalized) Reflection:** You don't learn from experience, you learn by reflecting on experience. Examples of questions to ask while reflecting on closing out an OKR cycle:

"Did I accomplish all of my objectives?"

If so, what contributed to my success? If not, what obstacles did I encounter?" "If I were to rewrite the goal, what would I change?"

"What have I learned that might change my approach in the next OKR cycle?"

Make stretching for previously unrecognizable heights become mandatory. Get yourself and your people **uncomfortably excited with a healthy disregard for the "impossible"**.

BIG goals that are clear and compelling, unify your people. If your products / services are not dramatically different and better, what's the point?

CFRs

CFRs: **C**onversations / **F**eedback / **R**ecognition

Combining CFRs and OKRs together makes each of them more effective.

CFRs create continuous performance management instead of annual reviews.

High recognition co.s have 31% lower voluntary turnover. Leverage peer to peer shout outs.

Examples: Achievement of the month awards, share recognition stories in newsletters, make recognition frequent and obtainable. Tie recognition to co. goals and strategies.

Key Results must have evidence of completion. (Docs and reports etc.)

Committed OKRs and Aspirational OKRs

Committed OKRs: OKRs that are agreed upon to be achieved and everyone is willing to do what it takes to ensure they are reached. Anything less than accomplished needs an explanation for failing on the execution.

Aspirational OKRs: OKRs that describe how you want the world to look, even without clarity on how you'll get there. Not as a 100% yes or no expectation.

OKR implementation mistakes to avoid

Failing to differentiate between committed and aspirational OKRs.

Creating OKRs that are already expected to be achieved instead of what the team or your customers really want.

OKRs that don't express clear business value coming from them.

Higher priority OKRs not being met before the lower priority ones.

Writing out OKRs in 5 minutes instead of taking time to really think hard about them.

Performance Conversation Questions For Managers: The manager's role; to learn / coach.

“What OKRs do you plan to focus on to drive the greatest value for your role / your team / the company?”

“How are your OKRs coming along?”

“What critical capabilities do you need to be successful?”

“Is there anything stopping you from your objectives?”

“Which of these OKRs align to the company's key initiatives?”

“What part of your job excites you?”

“What if any aspect of your role would you like to change?”

OKRs might take 4-5 quarterly cycles to adopt in your company.

Tools to help you manage OKRs:

<https://www.perdoo.com/> - offers leadership and team coaching on OKRs along with their OKR software.

<https://www.koan.co/>

<https://www.15five.com/>

Recommended Reading: Measure What Matters by John Doerr. (John Doerr's email is:

john@whatmatters.com) See his additional resources including an OKR Cycle at:

www.whatmatters.com

Watch Google explain how they implemented OKRs: <https://www.youtube.com/watch?v=mjB83EZtAjc>