



WHY **OBJECTIVES AND KEY RESULTS (OKRS)**
IS ONE OF THE WORST KEPT
SECRETS TO ORGANISATIONAL SUCCESS

High performance organisations have radical focus
and create outcomes.



THE PROBLEM WITH TRADITIONAL GOAL SETTING

- ① Too many projects on the go, a whole bunch of tick boxing
- ① Misalignment across the organisation, individually focused
- ① Not outcome focused, instead relying on busy work

1

Psychological Safety

Team members feel safe to take risks and be vulnerable in front of each other.

2

Dependability

Team members get things done on time and meet Google's high bar for excellence.

3

Structure & Clarity

Team members have clear roles, plans, and goals.

4

Meaning

Work is personally important to team members.

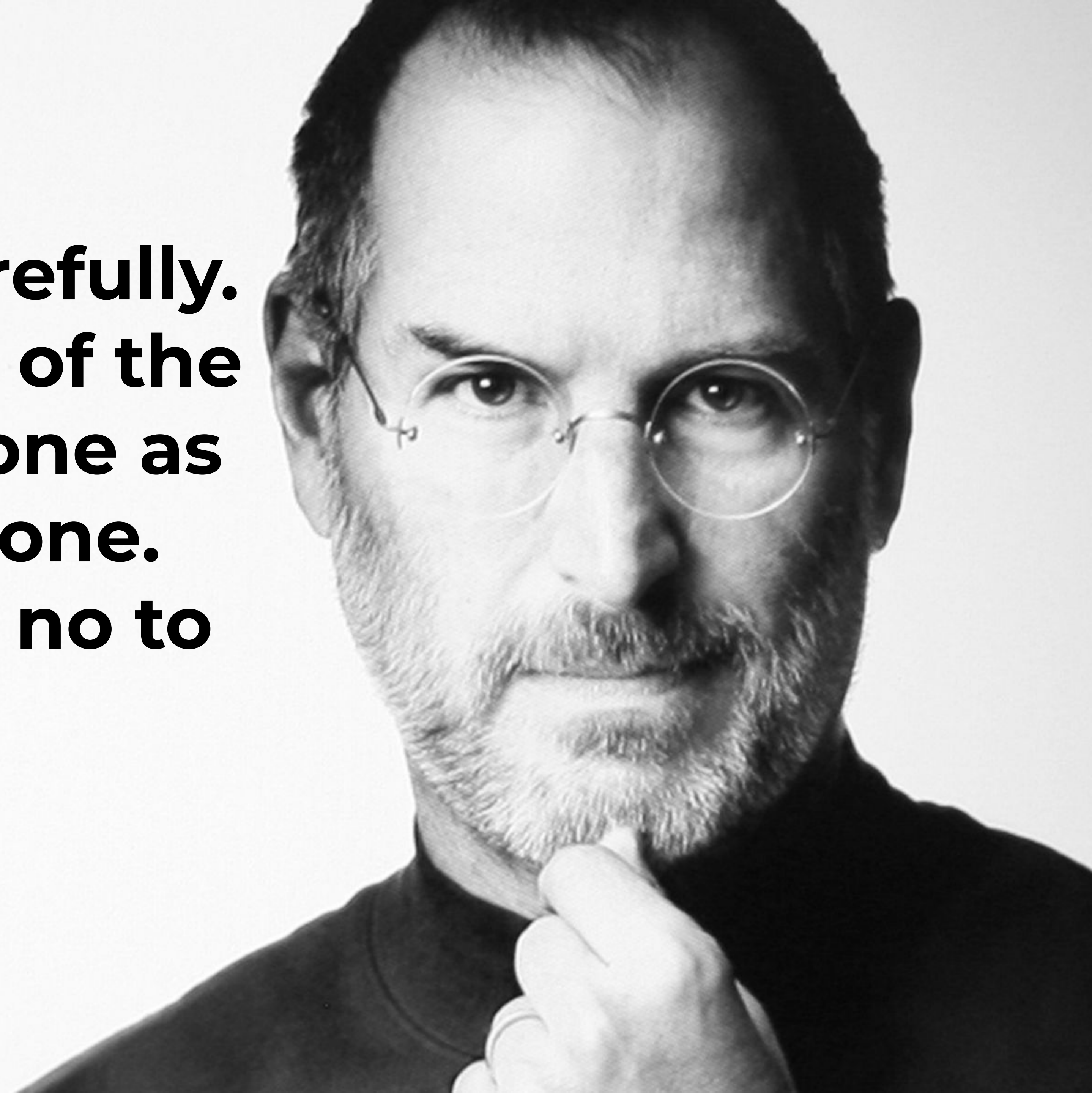
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Impact

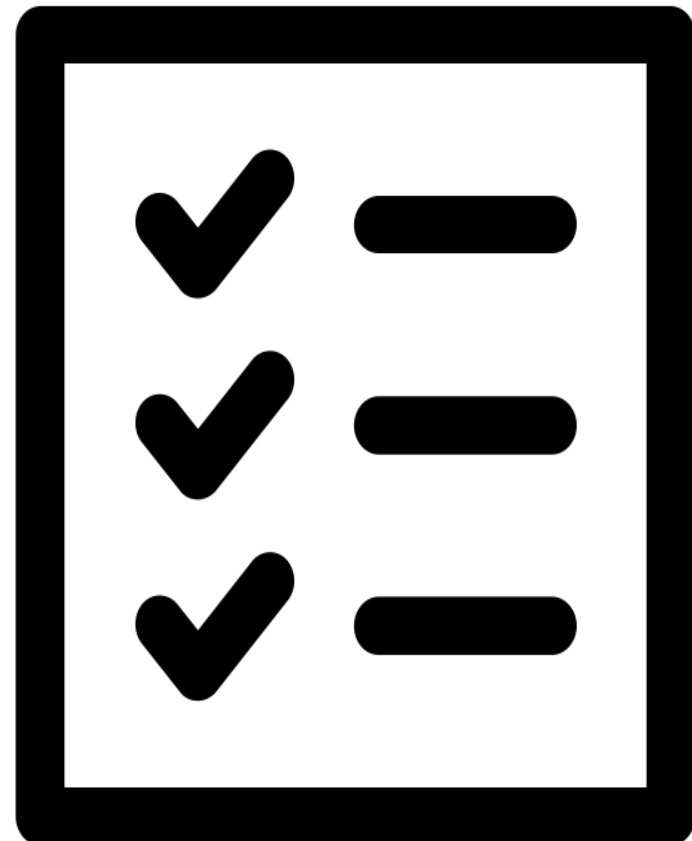
Team members think their work matters and creates change.

**“You have to pick carefully.
I'm actually as proud of the
things we haven't done as
the things I have done.
Innovation is saying no to
1,000 things”**

Steve Jobs

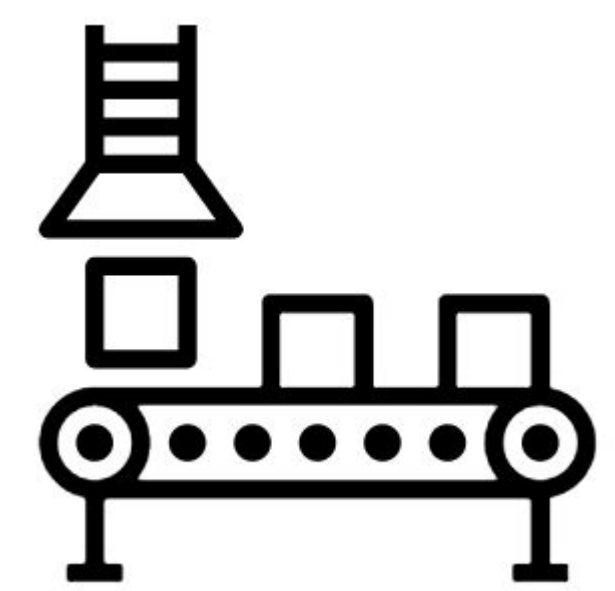


4 OKR RULES



- ① **CADENCE: SET AT A CONSISTENT INTERVAL & REFLECT OFTEN**
A quarter gives you the time to achieve great things, beyond that the business landscape changes too much. Check in weekly at least.
- ② **DON'T HAVE TOO MANY, START WITH ONE OBJECTIVE**
More than one will detract focus which is one of the key powers of OKR. Max is 5 Objectives with 5 KeyResults reach for the likes of Alphabet.
- ③ **MAKE THEM CHALLENGING**
Research demonstrates that people who set challenging targets achieve more. Expect to get to 70-80% of your challenging target.
- ④ **A KR MUST BE A METRIC**
Numbers enable objective evaluation and create learning process.

HOW TO SET GREAT OKRS



OUTPUT

- What we produce:
- Physical product
 - Digital product
 - Artifacts



OUTCOME RESULT

- The leading effect we have:
- Behaviour
 - Satisfaction
 - Action
 - Lean process metrics



LAGGING RESULT

- The lagging indirect impact:
- Profit
 - Market share
 - Sales

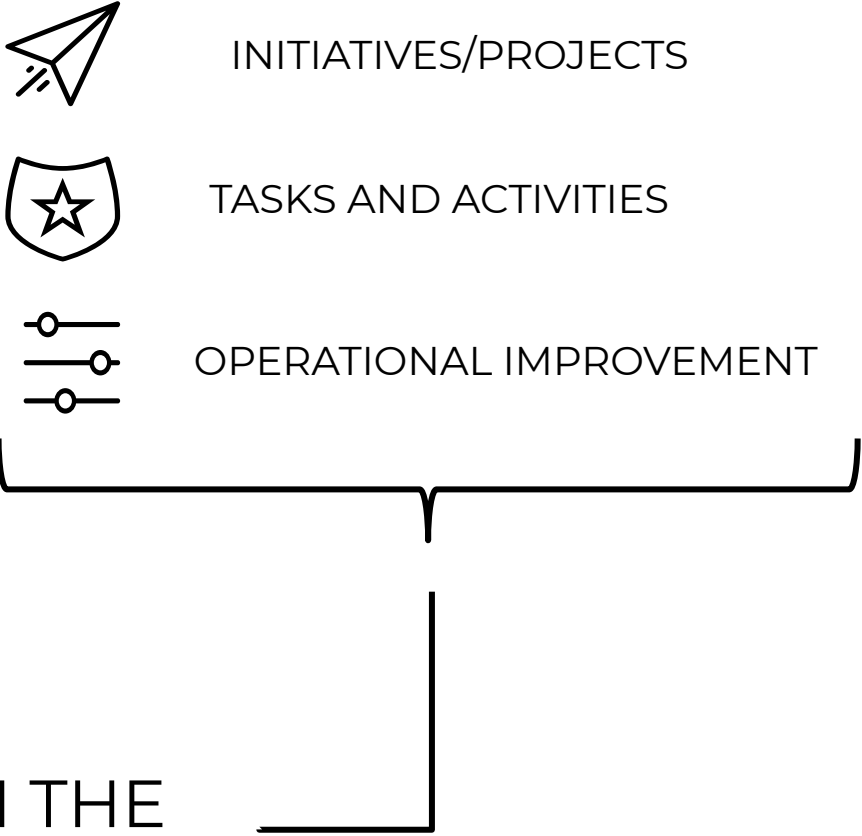
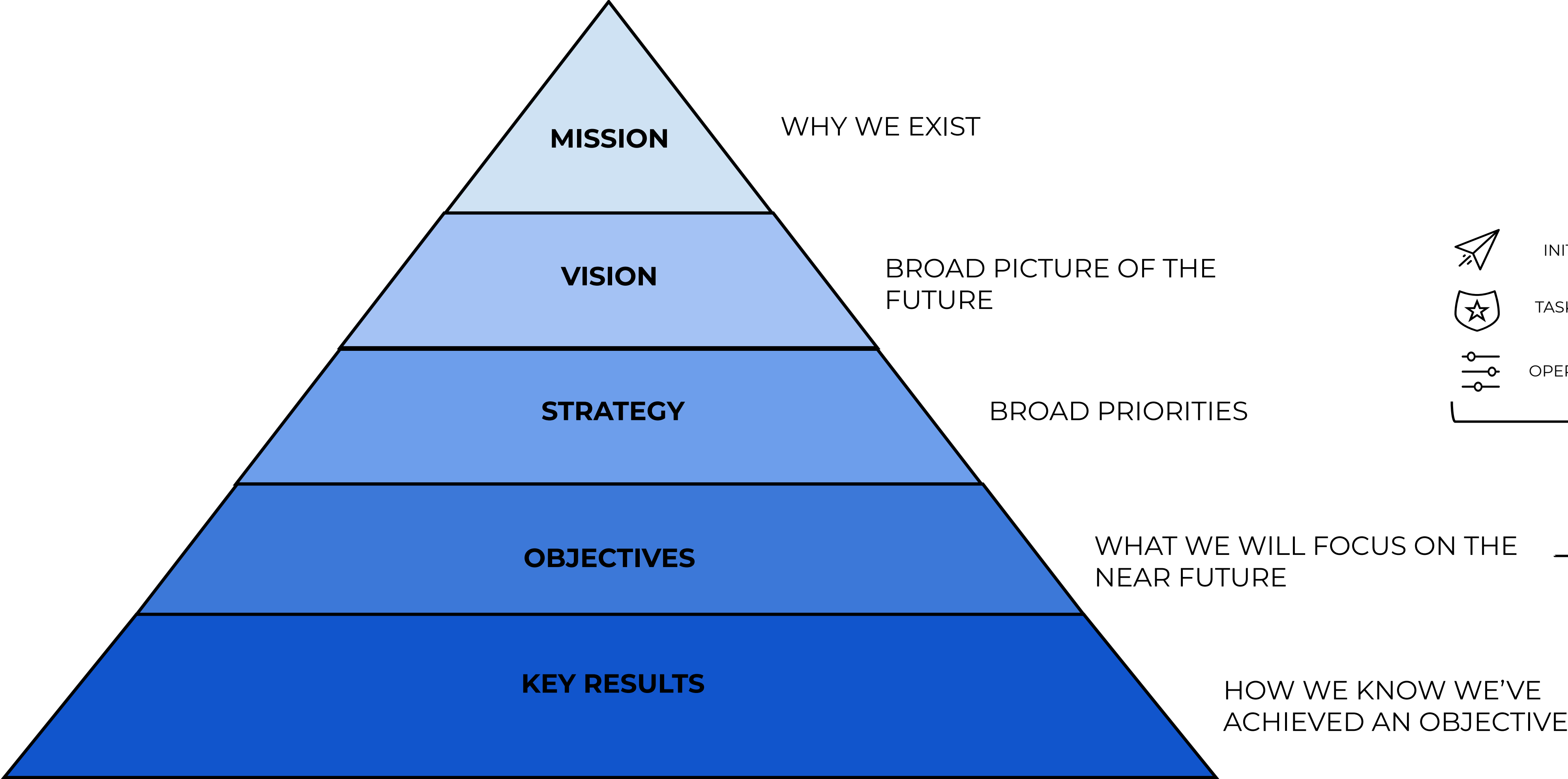
OUTCOME VS OUTPUT

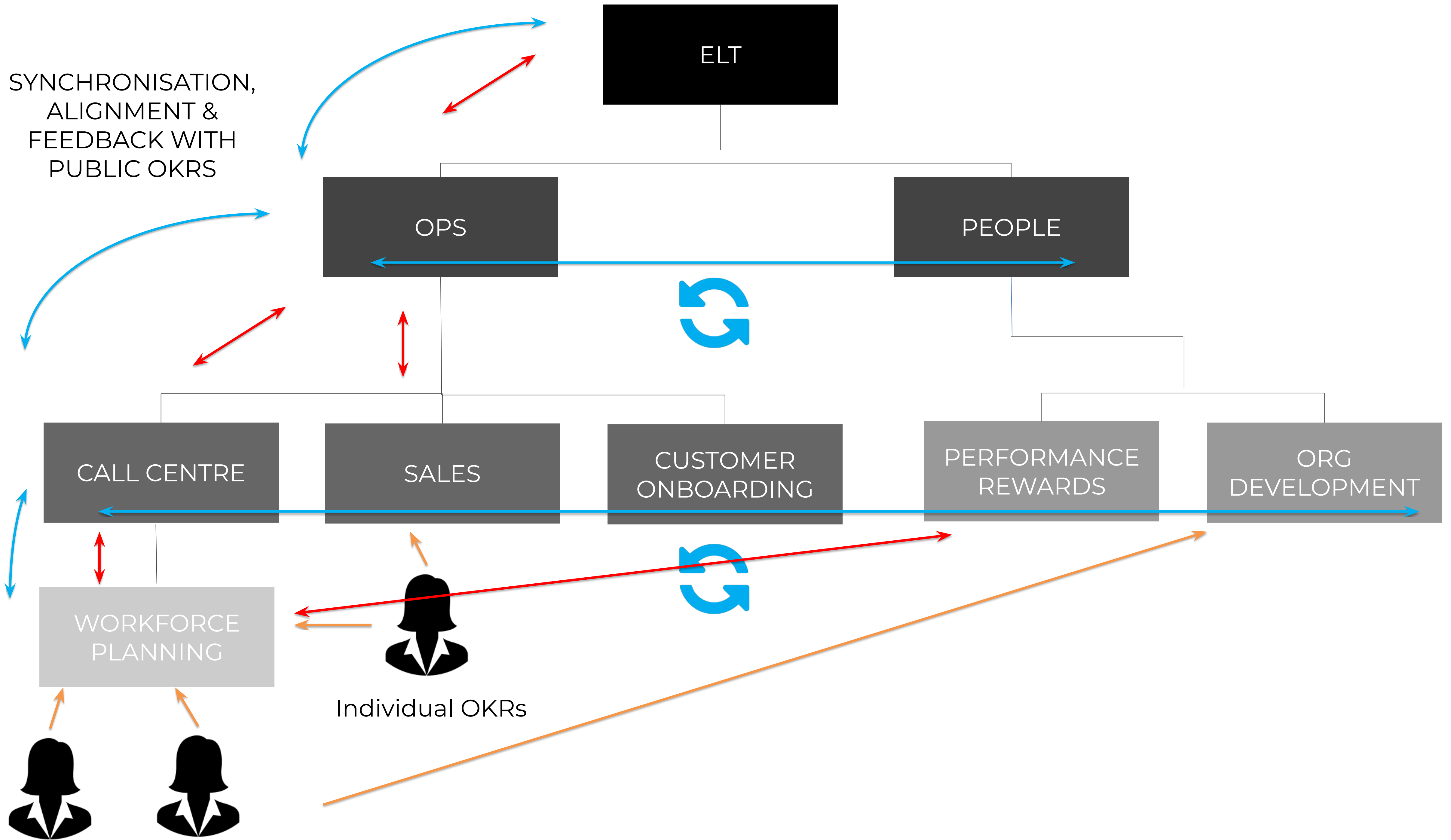
Example

OBJECTIVE: Save lives in 1 village of a developing nation by reducing preventable disease

- ⊙ KR: <output> 100 people attend training courses on hygiene habits that prevent communicable disease
- ⊙ KR: <result> Less than 10 people die of preventable disease
- ⊙ KR: <outcome, leading> observation and survey results show 80% increase in hand washing with soap
- ⊙ KR: <outcome, lagging> rate of communicable disease decreases by 60%

OKR CONTEXT





“ If management sets quantitative targets and makes people’s job depend on meeting them, they will likely meet the targets – even if they have to destroy the enterprise to do it.”

W. Edwards Deming



GOOD OKR EXAMPLES

TURN OUR CUSTOMERS INTO RADICAL ADVOCATES

- 40% of users come back 2X in one week
- 50% increase in customer referral rate when prompted
- 20% increase in retention
- 50% increase in customer satisfaction

CREATE AN AWESOME EMPLOYEE EXPERIENCE FROM START TO FINISH

- Average weekly satisfaction score of at least 4.8 points
- 80% of employees attribute social events as key engagement point
 - Employee suggested engagement ideas attributed to a 5% engagement score increase

TRANSFORM INTO LEAN HUNGRY MACHINE

- Customer onboarding cycle time is reduced by 25%
- Reduce rework by 25%
- Time to deploy features reduced by 50%
- Customers impacted by production incidents reduced by 20%

LATERAL ALIGNMENT

HAVE OUR CUSTOMERS FALL BACK IN LOVE WITH OUR OFFERING

- 40% of users come back 2X in one week
- 50% increase in customer referrals when prompted
- 20% increase in retention
- 50% increase in customer satisfaction

ENGINEERING: HAVE OUR CUSTOMERS FALL BACK IN LOVE WITH OUR OFFERING

- 40% of users come back 2X in one week
- ~~50% increase in customer referrals when prompted~~
- 20% increase in retention
- 50% increase in customer satisfaction
- **100% of customers satisfied within their first month**

SALES: HAVE OUR CUSTOMERS FALL BACK IN LOVE WITH OUR OFFERING

- 40% of top tier customers use the platform in their first week
- 80% increase in customer referrals when prompted
- 20% increase in retention
- **100% of customers satisfied within their first month**

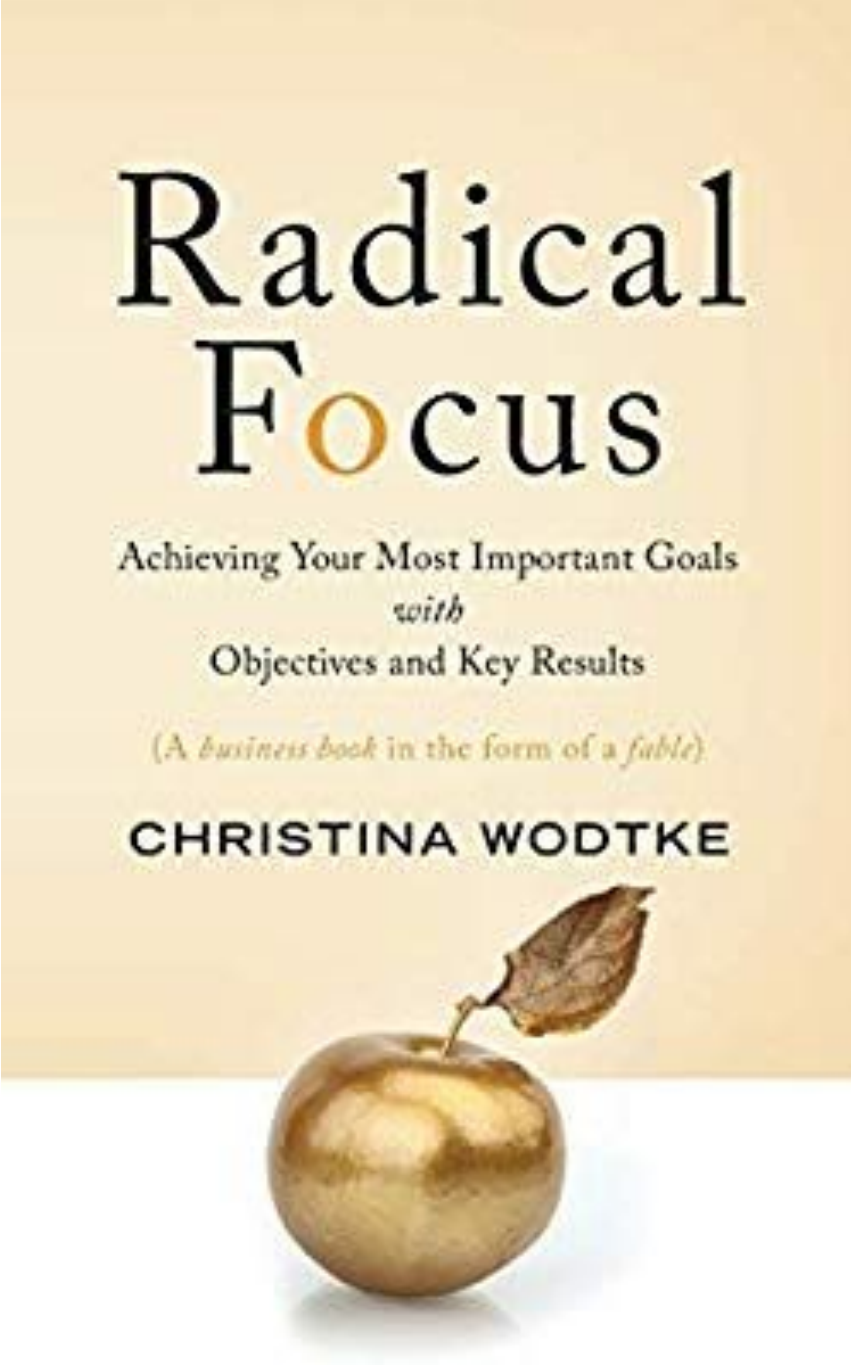
IDEAS & INITIATIVES

- Notification service
- UX improvements
- Special offer for at risk customers
- New user simplified experience

IDEAS & INITIATIVES

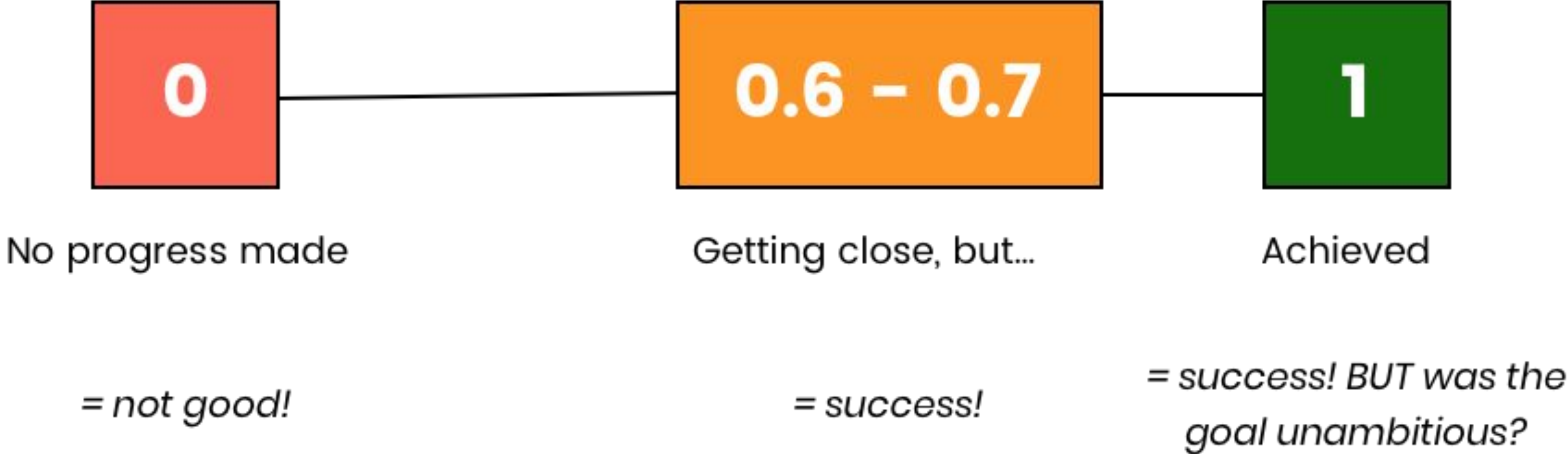
- Customer check in program
- Uplift product understanding

RADICAL FOCUS BY CHRISTINA WODTKE



<p><i>This week</i></p> <p>P1: Finish comps P1: Debug order-flow P1: Call Nevada P2: post sales job P2: plan team picnic</p>	<p><i>Objective</i></p> <p>KR: X aquisition 5/10 KR: X retention 5/10 KR: X revenue 5/10</p>
<p><i>Next 4 weeks pipeline!</i></p> <p>item 1 item 2 item 3 item 4 item 5</p> <p><i>Big stuff only!</i></p>	<p><i>Health Metrics</i></p> <p>customer sat team health code health? orders? revenue?</p>

REFLECTION



PATTERNS WHICH ENABLE SUCCESS

Do:

- Only explore them if you're committed to impact over output
- Have a champions network to embed them
- Only apply with mission / product teams, not functional / feature teams
- Get the change management right
- Just get started (in the beginning)
- Key results = business outcome measure/metric
- Do plenty pre-work/drafting before you host an OKR session
- Build into your daily rhythm with a deep checkpoint mid quarter
- All KRs are metrics which are a stretch & score at end of quarter

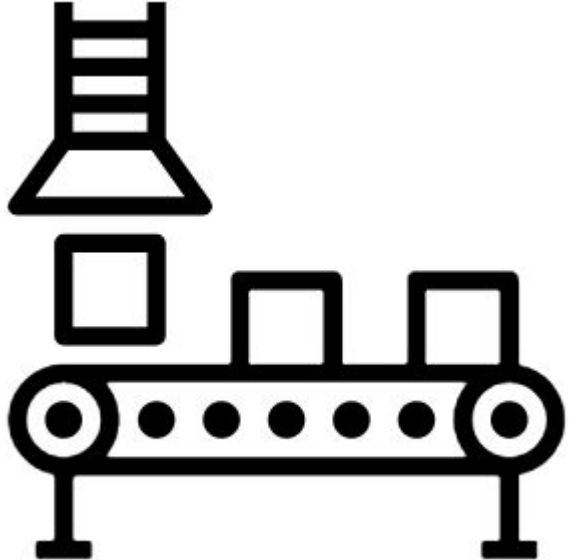
Don't

- Use binary / output OKRs (if you're stuck, ask "And what does that give you?" 5 times)
- Tie them to performance plans unless you have really effective & well tested goals

TIME FOR AN EXERCISE

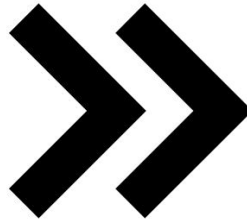


SWAP YOUR OKR - CO-CRITIQUE



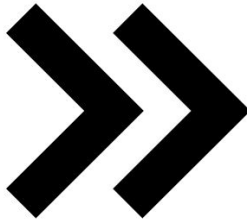
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OUTCOME RESULT

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LAGGING RESULT

- The lagging indirect impact:
- Profit & sales
 - Market share
 - Throughput

WRITE DOWN SOME MEASURES THAT WILL TELL
YOU YOU'RE MAKING PROGRESS

HANDS UP IF IT'S AN OUTCOME OR AN OUTPUT?

HANDS UP IF IT'S LEADING

5 WHY YOUR MEASURES

WRITE DOWN WHAT HELP YOU COULD DO WITH
ON A POST IT

Objective...

Key
result

Key
result

Key
result

Objective...

Key
result

Key
result

Key
result

Key
result

GO FIND SOMEONE WHO CAN HELP YOU

- ④ IF YOU'RE HELPING SOMEONE - ADD IT TO YOUR OKR
- ④ IF SOMEONE IS HELPING YOU - ADD THEIR NAME TO YOUR WORKSHEET & NOTE HOW THEY WILL HELP YOU

LOOKING FOR MORE?

4 NIGHT OKR TRAINING - LATE SEPT

- ① GO DEEP INTO WHY AND HOW METHODS LIKE OKR ENABLE ORGANISATIONAL SUCCESS
- ① EXPLORE PATTERNS TO EMBED OKR WITHIN ORGANISATIONS
- ① HOW TO LEAD A SCALED OKR WORKSHOP
- ① OPERATIONALISATION OF OKR WITH EXECUTIVE TEAMS
- ① SIMPLE PRODUCTIVITY HACKS WHICH ENABLE GOALS TO BE ACHIEVED

DISCOVER MORE

- ① Brief intro to OKRs: <https://www.skillfire.com.au/blog/the-secret-of-success-objective-key-results>
- ① How to run an OKR marketplace at your organisation:
<https://www.skillfire.com.au/blog/building-alignment-with-an-okr-marketplace>
- ① Getting started with OKRs in 30 weeks: <https://ohno.ai/public/2019/07/02/move-to-okrs-in-30-days/>
<https://www.atlassian.com/team-playbook/plays/okrs>
- ① A TED Talk by John Doerr:
https://www.ted.com/talks/john_doerr_why_the_secret_to_success_is_setting_the_right_goals/transcript?language=en
- ① Quite possibly OKR reading list in the world:
<https://medium.com/@mcleanonline/the-best-okr-reading-list-in-the-world-4344fb4781f7>
- ① Book: Radical Focus by Christina Wodtke