**Why OKRs?**

* Think of OKR system as a mindset.
* Objectives are the ‘what’. They describe the path forward, the place you want to be.
* Key results are the ‘how’. They provide the roadmap for accomplishing your objectives.

**What is an OKR?**

* OKRs turn missions into milestones.
* Objectives are the highest priorities you team needs to accomplish in the next 60-90 days.
* Key results are the benchmarks you can measure that track your progress towards the objective.
* ***KPI*** stands for Key Performance Indicator. Like key results, they help to measure things, but unlike key results, they aren’t necessarily attached to an objective.
* ***Objectives*** describe what you want to achieve.
* ***Key results*** describe how you will achieve it.

**What Makes Good OKRs?**

* OKRs represent meaningful change, improvement and growth.
* We are talking about accomplishing big things like –
* Introducing disruptive innovations.
* Establishing differences between you and your competitors.
* Being recognised as an industry leader in your category.
* OKRs point out what we need to do next.
* If your objective doesn’t connect to a greater mission, it won’t be effective.
* While looking at Objectives, we try to fulfil the three gut checks –
* ***Is it meaningful?*** Is the objective a top priority? Does it articulate a clear direction?
* ***Is it audacious?*** Is the outcome taken for granted or does it take what you do everyday to take you to the next level? Does it represent a significant change from where we are today?
* ***Is it inspiring?*** Is the objective easy to remember? Does it inspire your teams?
* While looking at Key Results, we try to fulfil the following three gut checks –
* ***Are they specific and timebound?*** Is it plainly stated what needs to occur and by when?
* ***Are they aggressive yet realistic?*** Are they aspirational, yet not so outrageous that they could never be accomplished?
* ***Are they measurable and verifiable?*** Is it clear when the criteria for success will be met?

**Writing Your First Objective**

* ***Step 1:*** Identify a North Star, or a top-level objective to guide you.
* Now, let’s zero in on the things that are most pressing for the next 30-90 days.
* The following questions might be helpful in doing so –
* What are the most important things that we need to get done?
* What do we need to start doing or changing?
* What does success look like?
* ***Step 2:*** Using the questions above, brainstorm a list of 3-5 possible Objectives.
* Check your objectives against the spot-checks and adjust them if they are not passing the test –
* My Objectives describe meaningful change from where we are now.
* My Objectives are concise and uses simple language. It will inspire me/my team.

**Connecting Purpose and Profit**

* To get to your why, take some time to reflect on the following –
* Why does my role or team exist?
* Who are my constituents and how do we make them feel?
* What do we expect from myself and my team when we come to work?
* Who do we report to and what pressures do they put on my team and me?
* Reflect on the questions above and fill in the blanks to refine your statement of purpose –
* We are here to \_\_\_\_\_.
* We are doing that because \_\_\_\_\_.
* Sustaining and Growing mindset:
* What does it take to maintain the level you are at?
* And what would it take to grow beyond your current level?
* Fill in the blanks to refine your statement of sustaining and growing –
* We sustain ourselves by \_\_\_\_\_ in order to \_\_\_\_\_\_.
* Take a look at the objectives and ask the following questions –
* Does this objective connect to our purpose?
* And does it also help us grow and sustain?

**OKRs are not BAU**

* OKRs are not sum-of-all-tasks. They describe what needs to change.
* Everyday tasks and OKRs can live together.
* Even after setting OKRs, it might be easy to settle back into business-as-usual.
* Here are some indicators to prevent that from happening –
* Do you tend to skip OKRs at your team meetings?
* Does most of the team conversation revolve around maintaining the status quo?

**Refining Your Objectives**

* ***Test 1:*** Does your objective ask for an incremental change, a leap, or a discovery?
* *Incremental change:* Is your change an increment away from the status quo? By how much? Incorporate this into your phrasing.
* *A Leap:* Are you asking your team to think outside the box? Use inspirational language to help them get there.
* *Make a Discovery:* Are you trying to learn something about your business? Phrase the objective like a hypothesis that needs proving.
* ***Test 2:*** Can you make your objective more specific?
* Vague goals are weak goals.
* Specific goals are tangible and concrete.
* ***Test 3:*** Do you need to make your objective more action-oriented?
* The language used is very important. Rather than describing a state, describe what you need to do to achieve that state.
* ***Test 4:*** Can you say the same objective in a simple, more concise way?
* Objectives that are poetic and inspiring will be easier to follow and remember.
* ***Test 5:*** How can you make your objective more memorable? Can you tie it to your culture?
* When crafting your objectives, tie it to your values to make them more meaningful.

**The Science of Key Results**

* You can’t have an objective without key results and vice-versa.
* Ask the following question by looking at each of the individual objectives – “What are 3-5 biggest things that would have to change in the next 90 days in order to make this objective a reality?”
* If the Objective is achieved without completing all the Key Results, or if the Objective is still not achieved even after completion of all the Key Results, then they aren’t the right set of milestones.
* Key Results should measure the progress week over week on the way to achieving the Objective.
* They are specific about the type and amount of progress we are making.
* There may be research involved in order to define the best set of Key Results possible.

**Inputs, Outputs and Outcomes**

* Key Results will usually fit into one of three categories –
* ***Inputs:*** Things that you can control. Some leaders focus on inputs. They believe that if the right inputs are manipulated, the desired outcomes will follow.
* ***Outputs:*** Effects of the inputs. Some leaders prefer outputs because they make for clear markers. You either see the output become a reality, or you don’t.
* ***Outcomes:*** More advanced way to think about outputs. They often emphasize the ‘before’ and ‘after’ more clearly.
* Here is an example to help better understand the concept –
* *Objective:* Get our candidate elected.
* *Input KR:* Volunteers must knock on at least 10,000 doors.
* *Output KR:* Get 20,000 people to commit to voting for our candidate.
* *Outcome KR:* Our candidate wins more districts than they did in the previous election.

**Going from Good to Better Part 1**

* There are three different kinds of OKRs –
* ***Committed OKRs:*** Goals that need to be achieved with 100% success rate.
* ***Aspirational OKRs:*** They push us to be audacious. 70% of a big, audacious goal takes you much farther than just 10% of a mediocre goal.
* ***Learning OKRs:*** Explorations or experiments to prove a hypothesis.

**Going from Good to Better Part 2**

* ***Leading vs Lagging Indicators:*** Think about the following questions –
* Do your set of Key Results include leading indicators?
* Can you see how your Key Results might be able to give you early warning signs if something isn’t going right?
* ***Pairing Quantity and Quality:*** Every key result has to be measurable.
* But in the pursuit of some of these quantitative goals, we don’t want to sacrifice quality along the way.
* For every set of quantitative Key Results, add a qualitative one.
* Each Key Result denotes one of 3 kinds of progress –
* ***Hold:*** You want to maintain. Perhaps you are in the middle of a crisis and the priority is to simply maintain your operations as they are.
* ***Increment:*** You want to change a certain amount from where they are today.
* ***Leap:*** You want to jump to a completely new state than where you are now.

**Aligning Your OKRs**

* Two of the most common questions are –
* How do I work with an OKR that was set by my leadership team?
* How do I hand-off OKRs to my team?
* There are two ways to align OKRs –
* ***Explicit alignment:*** When you have been given a Key Result as an Objective. This can also be called as inheriting an objective. It tends to be more rigid and works well when an organisation wants to focus or if they’re navigating a crisis.
* ***Directional alignment:*** Using OKRs from elsewhere in the organisation as a guide for developing your own individual or team OKRs. It tends to be more fluid alignment and works well when an organisation wants to empower its teams or use their creativity or expertise to achieve organisational goals.
* ***Micromanagement***: Even with explicit alignment, writing even the Key Results for your team will ultimately be a way of micromanagement.

**The Equity Pause**

* Pause and ask yourself the following questions to ensure that everybody is being taken into consideration –
* Have you heard from all stakeholders? Who is missing?
* Have you drafted an Objective or Key Result in a way that reinforces something in your culture that you need to change?
* How could you add a Key Result or adjust an Objective to not only avoid the behaviour, but also to correct it?
* Are you doing the right thing? Does this have a benefit for all?

**Keep Up the Momentum**

* Use OKRs to build and keep up the momentum in the game of goal setting.

Website link: <https://www.whatmatters.com/get-started>