**Google, Meet OKRs**

* “If you don’t know where you are going, you might not get there.” – Yogi Berra.
* John Doerr is a 12% shareholder of Google.
* Google’s motto in 1999, “to organise the world’s information and make it universally accessible and useful.”
* Sergey Brin crafted the commerce of technology.
* Larry Page built the product.
* Ideas are easy. Execution is everything.
* OKRs: Objectives and Key Results.
* It is a collaborative goal setting for companies and individuals.
* OKR cannot substitute for sound judgement, strong leadership, or a creative workplace culture.
* But if these fundamentals are in place, OKRs can guide you to the mountaintop.
* OKRs: A management methodology that helps to ensure that the company focuses efforts on the same important issues throughout the organisation.
* Objective: What is to be achieved.
* Objectives are significant, concrete action-oriented, and inspirational.
* When properly designed and deployed, they are a vaccine against fuzzy thinking and fuzzy execution.
* Key Results benchmark and monitor How we get to the objective.
* Effective KRs are specific and time-bound, aggressive yet realistic, measurable and verifiable.
* It is not a KR unless it has a number.
* You either meet KR requirements or you don’t, there’s nothing in the middle.
* Typically, at the end of a quarter, a KR is declared as fulfilled or not.
* OKRs surface the primary goals. They channel efforts and coordination.
* They link diverse operations, lending purpose and unity to the entire organisation.
* Excerpts from a paper titled “Goals Gone Wild”. “Goals are a prescription-strength medication that requires careful dosing and close supervision.” “Goals may cause systematic problems in organisations due to narrowed focus, unethical behaviour, increased risk taking, decreased cooperation and decreased motivation.”
* Edwin Locke, psychology professor at University of Maryland, said “hard goals drive performance more effectively than easy goals.”
* “Specific” hard goals produce a higher level of output than vaguely worded ones.
* More highly engaged work groups generate more profit.
* A 2-year Deloitte study found that “clearly defined goals that are written down and shared freely” help retain employees like nothing else.
* Goals create alignment, clarity, and job satisfaction.
* However, when people have conflicting priorities or unclear, meaningless, or arbitrarily shifting goals, they become frustrated, cynical, and demotivated.
* An effective goal management system like OKR links goals to a team’s broader mission.
* OKRs are Swiss-army knives, suited to any environment.
* OKR has 4 superpowers – focus, align, track, and stretch.
* ***Focus and commit to priorities:*** High-performance organisations home-in on work that’s important and are equally clear on what doesn’t matter. By dispelling confusion, OKRs give us the focus needed to win.
* ***Align and Connect for Teamwork:*** With transparent OKRs, individuals link their objectives to the company’s game plan, identify cross-dependencies and coordinate with other teams. By deepening people’s sense of ownership, OKRs foster engagement and innovation.
* ***Track for Accountability:*** OKRs are animated by periodic check-ins, objective grading, and continuous reassessment – all in a spirit of no-judgement accountability.
* ***Stretch for Amazing:*** OKRs motivate us to excel by doing more than we thought possible. By testing our limits and affording the freedom to fail, they release our most creative, ambitious selves.
* CFR: Conversion, Feedback, Recognition.

**The Father of OKRs**

* “There are so many people working so hard and achieving so little.” – Andy Grove.
* Peter Drucker discerned a basic truth of human nature: When people help chose a course of action, they are more likely to see it through.
* The essence of a healthy OKR culture –
* ruthless intellectual honesty
* a disregard for self-interest
* deep allegiance to the team
* Some lessons from Dr Andy Groves OKR culture –
* ***Less is More:*** A few extremely well-chosen objectives impart a clear message about what we say ‘yes’ to and what we say ‘no’ to.
* A limit of 3-5 OKRs per cycle leads companies, teams and individuals to choose what matters most.
* In general, each objective should be tied to 5 or fewer key results.
* ***Set goals from the bottom up:*** To promote engagement, teams and individuals should be encouraged to create roughly half of their own OKRs, in consultation with managers.
* ***No dictating:*** Even after company objectives are closed to debate, their key results continue to be negotiated. Collective agreement is essential to maximum goal achievement.
* ***Stay flexible:*** If an objective no longer seems practical or relevant, their key results can be modified or even discarded altogether.
* ***Dare to fail:*** Stretched goals push organisations to new heights. While certain operational objectives can be met in full, aspirational OKRs should be uncomfortable and possibly unattainable.
* ***A tool, not a weapon:*** OKR system is meant to pace a person so that he can gauge his own performance. It is not a legal document upon which to base a performance review.
* ***Be patient, be resolute:*** An organisation may need up to 4-5 quarterly cycles to fully embrace the system. And even more than that to build mature goal muscle.

**Vocabulary**

1. **Venture Capitalist:** A private equity investor who provides capital to companies with high growth potential in exchange for an equity stake.
2. **Market cap:** The total value of a company’s stock, found by multiplying the stock price by the number of outstanding shares.
3. **Revenue:** The total amount of money brought in by a company’s operations, measured over a set amount of time. It is the gross income, before subtracting any expenses.