Objectives and Key Results

The best practice of setting and communicating company, team and employee objectives and measuring their progress based on achieved results.

Objectives:
- ambitious
- qualitative
- time bound
- actionable by the team

Key Results:
- measurable and quantifiable
- make the objective achievable
- lead to objective grading
- difficult, but not impossible

Results can be based on the best practice of setting and communicating company, team and employee objectives and measuring their progress based on achieved results.

First developed and implemented by Andrew Grove, President, at Intel.

Andy Grove's introduction to OKR's in "High Output Management":

Where do I want to go?
How will I know I'm getting there?

Popularized by John Doerr, VC at Kleiner Perkins Caufield & Byers to his portfolio companies. In 1999 told Larry, Sergey and team at Google to implement it. Used at Google successfully to this day.

* Goals must be supported by the entire organization.
* Goals must be measurable or have quantifiable targets.
* Goals should be aggressive yet realistic.

"We put the whole company on that, so everyone knows their O.K.R.'s. And that is a good, simple organizing principle that keeps people focused on the three things that matter — not the 10."

OKRs should become more important the more senior an employee becomes. When you're in a leadership position, "You are sending the signal to the rest of the organization that 'this matters,'" Weiner says.

"The right way to look at OKRs is a way to communicate so there's clarity of purpose." Davis says.

"OKRs are not designed to be used as a weapon against your employees," he says. "They are a tool for motivating and aligning people to work together. They increase transparency, accountability and empowerment."

Weekdone brings OKR's to the digital age. It seamlessly combines them with best practice reporting methods, most notably the PPP's aka the Plans, Progress and Problems.

https://weekdone.com

# Best Practices

1) List ~3 objectives you want to strive for on each level.
2) For each objective, list 3-4 key results to be achieved.
3) Communicate objectives and key results to everyone.
4) People regularly update each result on a 0-100% scale.
5) When objective's results reach 70-80%, consider it done.
6) Review OKR's regularly and set new ones.

# History

1970's
1999
2014+

# Famous Users

Google
sears
Swipely
Oracle
Intuit

# Examples of good OKR's

Increase our recurring revenue
- The share of monthly subscribers increased to 85%
- Average subscription size of at least $295 per month

Improve internal employee engagement
- Overall employee job satisfaction score of at least 90 points
- Conduct monthly all-hands meetings with an employee representative
- Implement OKR's in all teams and departments by January 31st

Implement user-testing process
- Conduct at least 4 face to face testing sessions per week
- Receive at least 15 video interviews per month from Usertesting.com
- Make sure at least 80% of people interviewed are from our core target group (Directors, VP's, CEO's)

# Online tools for OKR reporting

Weekdone - building great companies

# # #

employees understand their company’s strategy and direction

employees say their manager clearly communicates goals and objectives

of workers feel engaged by their jobs

are satisfied with their organization's system for managing their performance

14% 58% 13% 47%