

Objectives and Key Results

OKR

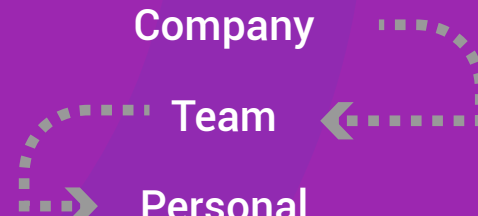
The best practice of setting and communicating company, team and employee objectives and measuring their progress based on achieved results.

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



"It's not a key result unless it has a number."

Marissa Meyer
YAHOO!



Implementing OKR's:

- 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.

Results can be based on

Growth
Performance
Revenue
Engagement

Best Practices

3

objectives at any time

3

key results per objective



Set quarterly



Reviewed monthly or weekly



Public and online in front of all employees

70%

Sweet spot to achieve % of the results

History

1970's

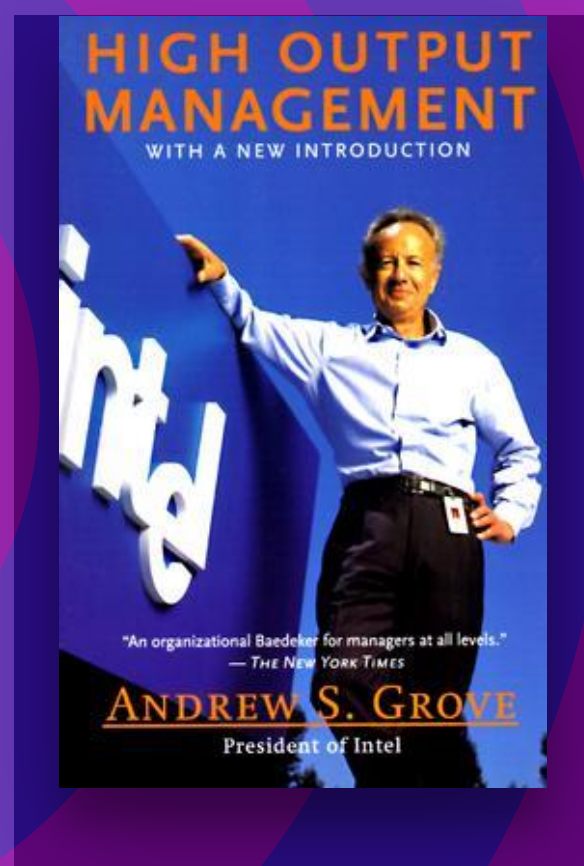
First developed and implemented by Andrew Grove, President, at Intel. Andy Grove's introduction to OKR's in "High Output Management":

1999

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

2014+

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.



Famous Users

Google sears
Swipely ORACLE®



14%

employees understand their company's strategy and direction

58%

employees say their manager clearly communicates goals and objectives

13%

of workers feel engaged by their jobs

47%

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

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John Doerr

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

KPCB

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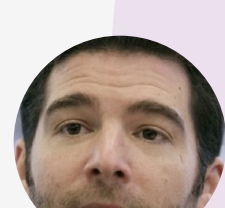


"We put the whole company on that, so everyone knows their O.K.R.'s. And that is a good, simple organizing principle that keeps people focused on the three things that matter — not the 10."



Marc Pincus
CEO of Zynga

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Jeff Weiner
CEO of LinkedIn

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.



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Angus Davis
CEO of Swipely

"The right way to look at OKRs is a way to communicate so there's clarity of purpose." "Having public goals forces different types of thinking around how people ask for help from others," 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."

In an organization of 1000 employees, moving a workforce from low to high engagement can have an impact of over

\$4.2 mln

Examples of good OKR's

Increase our recurring revenue

- The share of monthly subscriptions increased to 85%
- Average subscription size of at least \$295 per month
- Reduce churn to less than 1% monthly

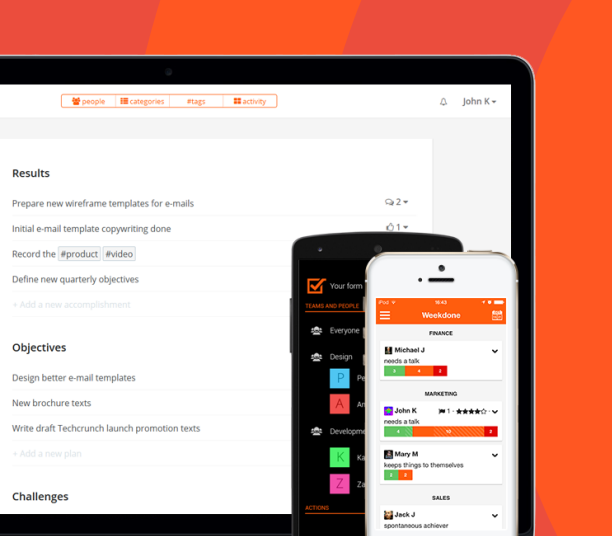
Improve internal employee engagement

- Average weekly satisfaction score of at least 4.8 points
- Conduct weekly Fun Fridays all-hands meetings with an external speaker
- 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 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>



Weekdone - building great companies