



Managing OKRs

With Daniel Montgomery



What are OKRs?



**FAST goals with a
higher velocity**

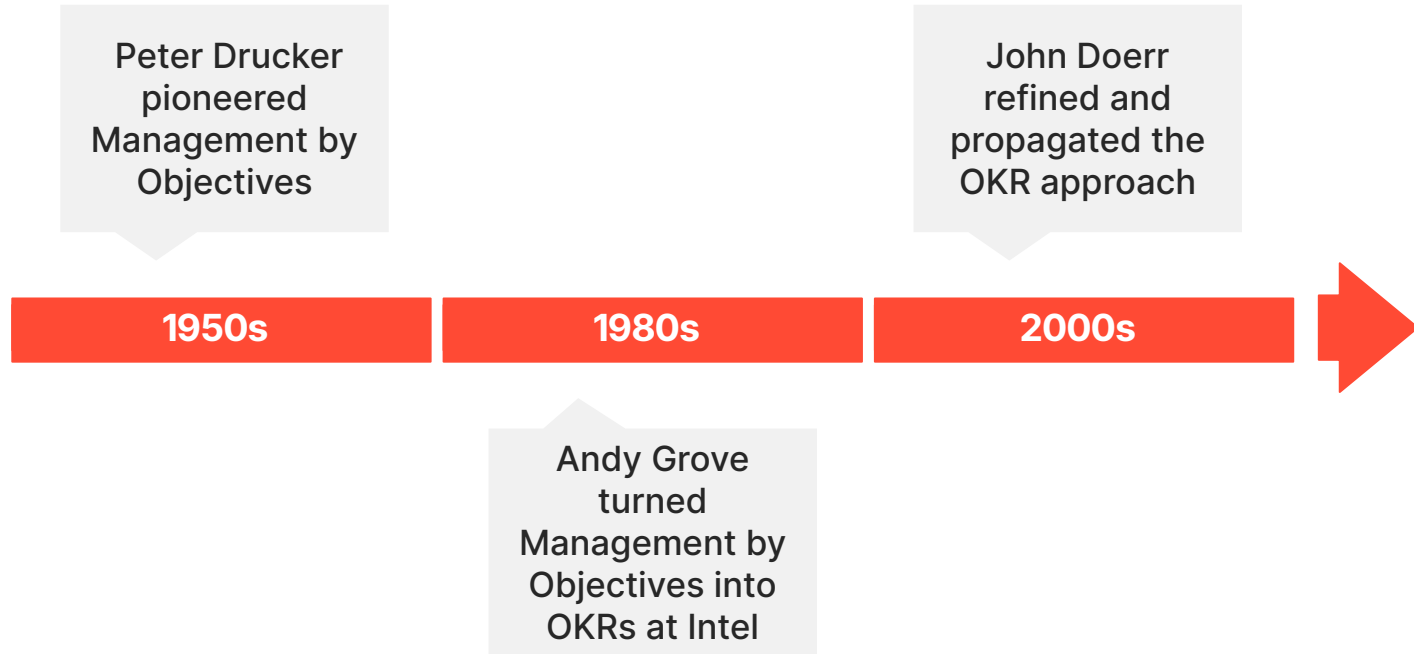


**Aspirational,
ambitious, and
typically qualitative**



**Specific and
measurable results**

How did modern OKRs develop?



What's the difference between OKRs, KPIs, and individual performance goals?

OKRs

- Target an ambitious goal
- Require a lot more learning
- Have a higher risk of failure

KPIs

- Support maintenance
- Monitor the processes that keep you stable and support your growth
- Stay consistent with established bounds

Individual Goals

- Only meant for an individual to achieve
- Used primarily during onboarding
- Can be used later for personal behavior and learning from leaders and team members

How does strategy inform OKRs?

Minimum Viable Strategy: A Sequence of **Choices**



What are the steps for setting OKRs?

1

Ask the questions to get to a minimum viable strategy

2

Start with cross-functional, company-wide OKRs

3

Once aligned, incorporate function-specific OKRs

4

Establish an actionable cadence for review and assessment

What makes for a strong (or weak) OKR?

Getting to Good Objectives



- Objectives should be well-crafted, qualitative, and aspirational outcomes
- Don't use an "altitude shift" in performance as an objective
- Don't select a task

What makes for a strong (or weak) OKR?

Getting to Good Key Results



- Key results are lean and numerical
- Align your key results to accomplish your objectives
- Identify up to 2-4 key results to use per objective
- Avoid the temptation to set key results that have a long time horizon

Who owns the OKRs and holds accountability for them?

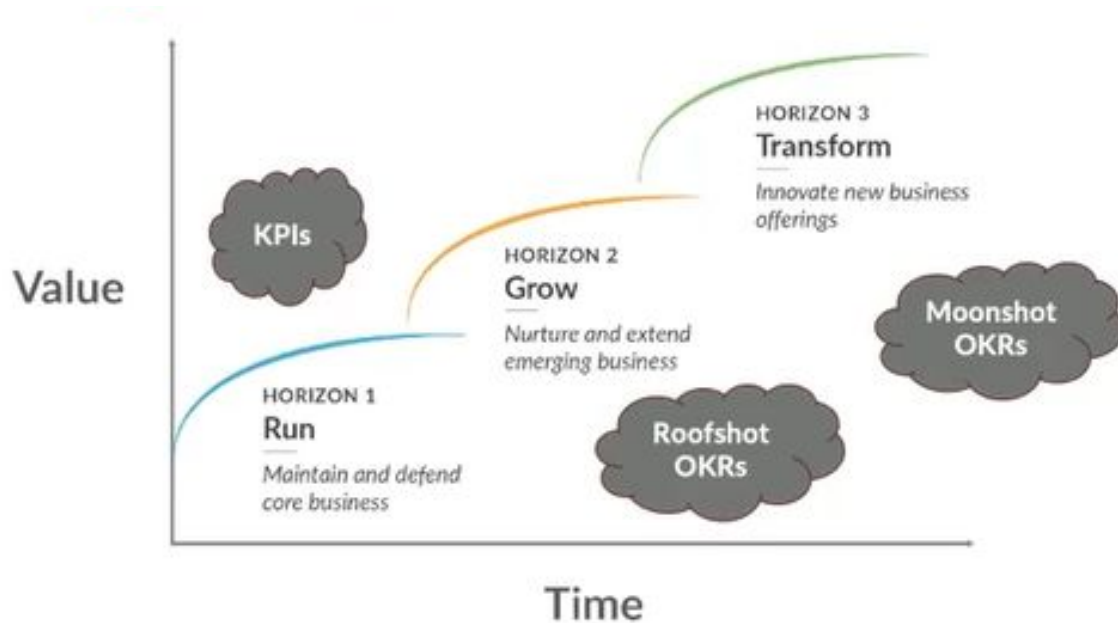
Ownership

- OKR creation should be a shared negotiation from senior leadership on down
- Collaborative creation will lead to a higher likelihood of success

Accountability

- Monitor OKRs through weekly or bi-weekly meetings
- If you come up short, have an honest conversation about why

How ambitious should your OKRs be? What share of your resources should go to tackling "moonshot" OKRs?



- **Run:** 70% Maintain and defend your core business
- **Grow:** 20% Extending a product line
- **Transform:** 10% Moonshot into new terrain

What are common pitfalls?

**Don't have
'shadow goals'**

Too often, companies realize that what they're actually targeting didn't make it into OKRs

**Don't set it and
forget it**

Priorities change mid-quarter and mid-year (e.g. during the pandemic); if your focus shifts, change your OKRs

**Don't have too many
OKRs**

5+ OKRs create too many competing priorities.

**Don't take the
'big bang' approach
to creation**

Don't implement OKRs on a company-wide, functional, and individual basis all at once.

Questions