

WHY WE NEED OBJECTIVES AND KEY RESULTS (OKRS)



Ever come up with a big idea to help your organization grow only to become uncomfortably lost in all of the ways to make it happen and forget to track results? On the other hand, ever decide to change something in your personal life only to get caught up in the middle, losing sight of the end and never finishing? Truth is when the dreams are big, requiring lots of steps to achieve them, it is human to need some direction or reminders along the way. And, when it comes to organizing multiple people in a company in order to achieve the same big idea, set direction is necessary.

To help bridge the gap between dreams and reality, organizations and people with all sorts of goals have been using “objectives” for a long time. A management method that is used to tell people where to go, as organizations have started growing exponentially, the need to measure such objectives and track the results has become not necessary, but essential. OKRs are what drive a company toward continued success, remaining a benchmark even in a hard time.

In this article, we will take a look at why OKRs are needed. To do this, we will discuss what they are, some OKR great success stories, and steps towards implementation in an organization.

What are OKRs

The letters stand for “Objective Key Results” and, as described in an article from [What Matters](#), when put together, it is “a collaborative goal-setting tool used by teams and individuals to set challenging, ambitious goals with measurable results. OKRs are how you track progress, create alignment, and encourage engagement around measurable goals.” Essentially frameworks for objectives and

results, this goal-setting tool can be applied to anything. From IT and office operations to fundraising and personal goals, OKRs keep people on track and focused toward action-oriented objectives while monitoring every step of the way. When applied, the benefits are three-fold:

- The ability to push and reach new limits
- The ability to track and measure progress
- The ability to reassess and learn

Different from just simply setting goals and going along for the ride, as reWork explains, "In practice, using OKRs is different from other goal-setting techniques because of the aim to set very ambitious goals. When used this way, OKRs can enable teams to focus on the big bets and accomplish more than the team thought was possible, even if they don't fully attain the stated goal. OKRs can help teams and individuals get outside of their comfort zones, prioritize work, and learn from both success and failure." They are not just "to-do" lists; this is a way to accomplish more.

What OKRs Look Like

With the knowledge that OKRs are not just written down objective-style "to-do" lists, now is a good time to mention each part of an OKR. Comprised of high-level "Objectives" and "Key Measurable Results," both parts of this tool come with requirements.

To create ORKs, begin first by defining 3 to 5 high-level objectives. Every objective should feel uncomfortable and push the team. Follow that by giving each objective 3 to 5 measurable results. The results always need to be as specific as possible and based on time. For reference, take the result of wanting to improve chatbot rates. Instead of writing "increase chatbot rates," it should be written as "increase daily chatbot rates 10% by February 1."

When complete, a single ORK will look like this:

Objective: Become a top chatbot provider in the USA and Canada.

Key Result 1: Increase daily chatbot rates 10% by February 1

Key Result 2: Establish a sales growth strategy in English and French by April

Key Result 3: Gain 5 new customers running chatbots by August

One of the most important things to remember while creating OKRs is that no company should ever have more than 5 at a time. For best results, smaller teams and organizations work well with 3. Reviews of OKRs can happen quarterly or yearly, depending on needs and the best OKRs are flexible.

Grading OKRs

In order to effectively deploy and use ORKs, scoring is a key part of the process. A self-imposed grading system, as described by [Medium](#), it is "how you succeeded against the key results and overall objective. A scale of .1–1.0 is commonly used. Unintuitively, and ideally, you want a grade in the .6 — .8 range. Anything higher, and it is likely your OKRs were too easy. Anything lower, and you have likely improperly scoped your OKRs. However, sometimes the only correct grade is a .1 or a 1.0

because the outcome is binary. You should always have goals that are slightly out of reach so that you are always striving to be better beyond what you think is reasonable." This system is in place to help organizations see what makes the difference and if the OKR was achievable or not.

Big OKR Results

The history of OKRs starts all the way back in 1975 when an employee named Andy Grove at Intel taught a class and a man named John Doerr attended. At the time the methodology was called iMBOs and was exclusive to Intel. After the class, Doerr held onto the information for over 2 decades. It wasn't until 1999, when he introduced it to Kleiner Perkins, an investor in the start-up Google. From there, OKRs grew.

As written in the front of the OKR book by Doerr, [Google's CEO states](#), "OKRs have helped lead us to 10x growth, many times over. They've helped make our crazily bold mission of 'organizing the world's information' perhaps even achievable. They've kept me and the rest of the company on time and on track when it mattered the most." And, Google is not the only company benefiting from this type of growth management. LinkedIn, Airbnb, Uber, Adobe, Amazon, and many more of the world's leaders are using OKRs.

Implementations and Standards

As seemingly simple as OKRs may first appear, the implementation of such an objective methodology does take some initiative from company leaders. At the topline, leaders are the ones who create the OKR and then send it down the line to employees. As expressed in an article from [CIO](#), the following checklist will come in handy when implementing:

- Put the customer first
- Don't skimp on ambition
- Tie OKRs to larger company goals
- Just enough Os and KRs is enough
- If you can't measure it, it's not a good KR
- KRs are outcomes — not tasks
- Assign KR owners

If these standards are followed when creating OKRs for any organization or individual, the chances of successful objective setting and result monitoring are likely.

OKR Goal Setting Is Better Than The Rest

There are many ways an organization can go about setting objectives and tracking results; however, with OKRs, each goal is set to meet today's incredibly fast-paced, ever-growing world. Flexible and high-level, OKRs allow a business to actually gain results with clearly defined steps with real direction. And, having a set direction with ways to get there is one of the strongest muscles an organization can build. With OKRs, growth is within anyone's reach.