

A FREE BOOK FOR LEADERS

The OKR Operating System

How great managers deliver reliable results, engage their people, and run strategy, goals, planning and execution

A goal without a plan is just a dream.



Free to share.
Please pass it on.

Richard Russell

richardrussell.co

Stuff nobody reads

This is Edition 1.1 of the OKR Operating System, written by Richard Russell, Luxembourg, 2024.

Edition 1.1 (9 October 2026) has minor updates: a new cover, current links and contact details, and a page of free tools at the end. The rest of the book is unchanged.

Richard Russell asserts the moral right to be identified at the author of this work.

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I probably should have something more formal, but hey, it's my first book, and it's self-published, so this is all you're getting!

Why are you reading this part anyway?

Get on with the rest of the book!

Share this book!

Yes, really, please share this book.

It's good for you, good for me, and good for them.

The more people use this framework, the more value you'll each get from it, as you'll find it easier to collaborate, your efforts will compound, and together will get exponentially better results.

If you've had this book shared with you, thank the person who gave it to you! They think you are great and want you to be even more effective.

You can always download the latest version of this book for free at richardrussell.co/resources/okr-operating-system.



Preface

I'll jump ahead a bit and highlight that setting OKRs for every person and team isn't necessary and can be detrimental.

I know, shocking to hear that from someone who makes money by training people to use OKRs!

You'll learn more about this as we go on, but my goal with this book is not to promote OKRs for everyone, but to help organisations use OKRs effectively, and one of the key elements of that is having as few OKRs as possible, so they can have the most impact, and individual people don't have to decide which OKRs to pay attention to.

I'll also tell you that setting OKRs isn't enough to manage a company or a team – OKRs don't automate management, they help you structure your own approach to management.

You'll still need to spend time understanding the business and its customers. You'll still need to build a deep and trusting relationship with each team member, and you'll still need to subjectively assess their performance. You'll still need to come up with a strategy to help you set the OKRs, a plan to deliver them, and run the regular execution cadence to make sure progress is being made. You'll still need to communicate wins and misses and manage your stakeholders' expectations.

But OKRs, and the OKR Operating System, will help you do all of this.

One more thing – some people find setting Objectives and Key Results hard.

It isn't.

The hard part is:

- understanding your business
- managing your stakeholders
- deciding your strategy
- engaging your team
- measuring results
- planning credibly
- getting it done

OKRs feel hard because if you do them well, you'll be doing all this hard work.

And that's a good thing.

Have a great week, and scale well!

Richard Russell

Luxembourg, 27 June 2024

Who is this book for?

This book is written for C-Level Executives, especially in fast-moving environments like Scaleups and Startups, Big Tech companies, and Established Companies who are undergoing a Transformation or have an internal Corporate Startup. You may have a lot of experience, or a little, and you may have been using OKRs for years, or be entirely new to them.

It's also going to be helpful for the extended leadership teams from VPs to line managers, and cross-functional leaders without direct reports like product managers who work in these environments, as well as coaches and consultants who help them.

I've adapted this book from the training I have given to hundreds of leaders in tens of high-growth tech-powered scaleups. I freely admit to having taken a great deal of inspiration from many others in the space but have put it together into a coherent system that I think you will find valuable.

Feel free to ask me if there's any questions about the content or how you can apply it to your situation (Email me at richard@richardrussell.co or connect on LinkedIn at <https://linkedin.com/in/richardarussell>). I benefit from your questions as it helps me create better and more relevant content and will update this book occasionally.

You can download the latest version any time from richardrussell.co/resources/okr-operating-system.

How to Read This Book

While I am familiar with many different company cultures (I've worked at Google, Amazon, and Deutsche Bank, and consulted closely with the leadership teams of literally hundreds more from Global 2000 companies to Unicorns to early-stage startups), I don't know yours. And I don't know your role and level, your organisational context, your strategy, your team, your strengths and weaknesses, or your constraints.

This means that you're going to have to interpret and adapt this for your own needs. I've explained the thinking behind most of the topics to help you. Don't feel tied down by anyone's (including mine) definition of what OKRs should or shouldn't be. As a manager, you need to build your own management style that fits with your company's expectations and suits your team's way of working.

This book is written to help you do that, not to prescribe a set of rules to follow blindly.

It is written to read all the way through, start to finish, but you may want to revisit some sections occasionally.

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Introduction



1. The Underpants Gnomes

In South Park, Season 2, Episode 17 (1998), Stan, Kyle, Cartman and Kenny find out that gnomes are stealing their underpants. They follow them to a cave deep underground, full of gnomes and a big pile of underpants. They speak to one of the gnomes:

Cartman: *So what are you gonna do with all these underpants that you steal?*

Gnome 1: *Collecting underpants is just phase 1. Phase 1: collect underpants.*

Kyle: *Sooo, what's phase 2?*

Gnome 1: *[has no response. Looks around, then calls out to the other gnomes] Hey, what's phase 2?*

Gnome 2: *Phase 1: we collect underpants.*

Gnome 1: *Yeah, yeah, yeah, but, what about phase 2?*

Gnome 2: *[says nothing, then] Well, phase 3 is profit. Get it?*

Stan: *I don't get it.*

Gnome 2: *[walks up to a large chart] You see, Phase 1: collect underpants. Phase 2: ... Phase 3: Profit.*

PHASE 1	PHASE 2	PHASE 3
Collect Underpants	?	Profit

Shortly afterwards, Kenny tragically dies (of course).

The gnomes' business plan illustrates **micromanagement** and **vague vision peddling**. Many managers swing between these two common management problems unaware that they are doing so.

Collecting underpants represents **micromanagement**. Managers define the tasks to be done, but give insufficient context, so people can't make decisions or understand what success looks like. The best people get frustrated and leave, and those who are left have low initiative and need to be told what to do in ever-increasing detail – and the pendulum swings towards vague vision peddling.

Profit represents **vague vision peddling**. Managers define an end goal like profit, or communicate a vague vision of the future, and leave too much ambiguity. The best people try to fill that void with their own ideas but there are as many ideas as people, so the result is a lack of focus, conflict and wasted effort, leading to paralysis – and the pendulum swings back to micromanagement.

The OKR Operating System helps leaders fill the gap in the middle (the gnomes called it “Phase 2”, though it’s not a sequence) and solve these two common problems.

Rather than defining tasks to be done or describing the eventual destination, leaders define **proximate objectives** to be achieved and the **specific results** that characterise success in the current quarter.

This creates space for employees to innovate and solve problems, while constraining them to work within the defined strategy. Then leaders engage employees with a structured framework that starts with planning, creates an execution cadence, solving alignment problems along the way, sharing operational and strategic context, and using transparency to drive accountability. This creates focus and alignment and helps build teams who are fully engaged and collaborating to implement a shared strategy.

If only the gnomes had such a leader.

2. What are OKRs?

Objectives and Key Results (OKRs) are much simpler than most people think.

A **Set of OKRs** have:

- A consistent *time constraint* (**OKR Cycle**)
- 1-3 inspiring statements of *what we will achieve* in that OKR Cycle (**Objectives**)
- 2-5 unambiguous *definitions of success* (**Key Results**) for each Objective
- A *single person* named to own each Objective or Key Result (**Owner**)

For example (for a SaaS Company):

In:	Q4	Owners
We will:	Scale Up Our Sales Machine	
As measured by:	Increase Average Monthly Webinar Attendance from 10 to 100	Mike - CMO
	Increase Initial Meetings with Qualified Leads per Month from 2 to 5	Joanne - CCO
	Increase Conversion Rate of Qualified Lead to Sale from 15% to 30%	Joanne - CCO
	Sign our First No-Touch Trial Customer	Sarah - CPO

A **Set of OKRs** applies to a distinct scope (eg a whole Company or Business Unit, a Cross-Functional Team such as those building and working on a Product, or a Function or Team), and specifies what needs to change this OKR cycle to implement the strategy.

Fewer OKRs is better than more

Before creating new OKRs, look around to see if there are already OKRs existing in your company that could sufficiently guide your work. If there are, then you don't need to create more, and doing so will likely add confusion or constraints that don't benefit you.

Instead, sign your team up to support and deliver those OKRs or copy individual Objectives or Key Results if they are only partly relevant. Resist rewriting them in different words as this will also create confusion. Create additional Objectives and/or Key Results only if the existing ones are not specific enough to help your team make decisions about what they are doing.

For example, the Product Team in the SaaS company above may set a Key Result like "Reduce the Number of Steps Customers Need to Onboard from 7 to 2". They'd do this only if the added constraint helped focus their efforts where it matters.

What about Mission, Vision, Strategy and so on?

These words are used to mean various things by different people, so I'll define them as I go. You or your organisation may use different definitions, and it's more important that you align with your colleagues than with me. You may need to re-interpret this for your own organisations' way of using language.

I'm going to base my definitions on some shared by Lenny Rachitsky¹, as I think they are simple and clear enough for our purposes, and he's a cool guy with great content. I'll also use a few examples from Tesla that he shared, and I'll add my own comments.

Purpose²

What are we trying to achieve?

Tesla Mission: Accelerate the world's transition to sustainable energy

This is the underlying answer to asking "why" enough times. Beyond external motivators like salary and benefits, what is the reason we get up in the morning and come to *this* particular company, rather than some other. What's our common cause?

If your organisation doesn't have a clearly defined purpose or mission, don't let that stop you or slow you down. It's beneficial if you do, because it guides everything else, but many successful companies don't.

Vision

What does the world look like when we've achieved it?

Tesla Vision: Create the most compelling car company of the 21st century

This describes our destination, within the scope of 5-10 years. It probably feels unrealistically ambitious, but that is part of what makes it exciting, because we have a strategy that may just get us there. A vision can be a single sentence, or something more descriptive, but is usually about making the changes we will make to the world visible and concrete, without being overly specific about the details.

If your organisation doesn't have a clear vision, again, don't let that stop you or slow you down. It's common for companies to have either a vision or a mission, to have both, to have neither, or to mix them up.

What you want from a vision and mission is to know where you are going and why, but if you don't know this, infer it and improvise along the way until you're able to clarify it. While having a clear vision and mission will help you set OKRs and will keep you going in the same direction in the longer term, they aren't critical in the short term.

¹ <https://www.lennysnewsletter.com/p/mission-vision-strategy-goals-roadmap>

² Most people, including Lenny, use the term "Mission", I prefer the term "Purpose" because it is longer term, more durable, and relate much more to what gets me out of bed in the morning, whereas "Mission" can feel temporary in nature, more changeable, and less emotive. I first heard this distinction from the excellent book *Scaling Up* by Verne Harnish.

Strategy

What's our plan for achieving it, i.e. what's our plan to win?

Tesla Strategy (high level): Build a high-priced sports car → Use that revenue to build an affordable car → Use that revenue to build an even more affordable car → While doing so, also provide zero-emission electric power.

More than any other business word, Strategy is abused. The example above is overly simplified, but it is (was – it's not a bit dated) the heart of Tesla's strategy. Each part of this could have more details (eg why is the high-priced sports car going to be successful – what decisions will we make that mean it will be a winning car in the marketplace and profitable for us?).

Be careful not to confuse strategy and plans³. Plans are the activities you will do (which could be long or short term), things you control. A strategy is a set of choices you make that you believe will help you win customers, whom you don't control. In the scope of a team within a company, the strategy is the set of choices you make that will help you serve or implement the organisation's strategy best (not "be the best HR team in the world" for example) within your domain.

Strategy is fundamentally the answer to the question "How will we win?", and it's primarily about making choices between options which are both viable. We choose to do X while our competitors choose Y. These choices are usually multi-year choices, which impact resource allocation and more, because they involve difficult trade-offs.

A strategy is a specific set of choices that you believe will best help you realise the vision and fulfil the purpose, so in that sense it tends to depend on the vision and purpose, though is often developed before them.

While a vision and a purpose don't need to change until they become stale, a strategy should change when new information proves that the underlying assumptions are no longer value, but ideally the changes will be incremental rather than dramatic, as large changes in strategy are costly – perhaps not as costly as changes to vision and mission, but people have more trouble defining strategy, and are hence more likely to change it, even if inadvertently.⁴

Usually, if a company has trouble setting OKRs, it's because they aren't clear enough about their strategy. Once a clear strategy exists, setting OKRs is a matter of defining what part of that strategy can be achieved this quarter. The hard part is deciding the strategy, not writing the OKRs.

³ Roger Martin has an excellent video on this: <https://www.youtube.com/watch?v=iuYIGRnC7J8>

⁴ Far more could be said here, but instead I'll direct you to my four favourite books on strategy:

- 1) *Playing to Win* by A G Lafley and Roger Martin – the best overview and framework.
- 2) *Good Strategy/Bad Strategy* by Richard Rumelt – A great, slightly simpler approach.
- 3) *The Crux* also by Richard Rumelt – Getting simpler again, this cuts down to a great core.
- 4) *No Bullsh*t Strategy* by Alex M H Smith – If you want the most easily read book on strategy, this is it.

Goals

This gets a bit fuzzy for most people, because it really depends on the timeframe. I like to distinguish between longer term business goals and shorter term OKRs⁵.

Longer-term Business Goals

How will we measure progress?

Tesla Business Goal: Sell, build and deliver 4500 Model S cars by <date>.

Business goals may be milestones or metrics we want to hit in the coming 3-5 years – but that doesn't mean we are working directly on them now. Rather, having them enables us to make decisions about what we are working on now with more context about how our choices may affect what we do longer term.

To me, this type of goal is part of the strategy context. In many ways, it's part of how you define the "winning" that strategy is intended to help you do. Hitting it would tell you that you are on track delivering your strategy and realising your vision. But it doesn't tell you what to do now.

Shorter-term OKRs

What are we trying to do this quarter?

Eg Tesla Objective: Design the fastest production car ever made.

Eg Tesla Key Result: Improve Model S 0-100km/h time from 2.4s (P100D) to 2.1s (Plaid)

OKRs are very concretely about what we will achieve this quarter, and generally, if we aren't working on them now, we are probably not working on the right things. These are the link between Strategy and Execution and help us ensure that we are all working towards implementing the strategy in a co-ordinated and complimentary fashion.

Shorter term OKRs depend on the strategy, because they are consequences of the choices made in deciding the strategy. If the strategy is not clear enough, as in it doesn't make meaningful enough choices, then it is very hard to define good OKRs, because you need to make those choices at the same time, but without the full context of the strategy.

Many organisations do not have a clear strategy, and the best approach in this circumstance is often to improvise with a short-term or interim strategy with a 3–6-month horizon that will enable OKRs for the current quarter to be set. The organisation can then develop the execution muscle and make progress delivering this interim strategy while the longer-term strategy is developed. The alternatives are to either make no decisions and hence battle misalignment and slow execution, or to pause execution while a strategy is developed under significant time pressure.

⁵ I'm not mentioning individual goals of any description here. Generally, I don't recommend using individual OKRs, and instead setting individual goals or priorities with a different framework and name to emphasise the need to be flexible with individuals, so they can adapt to align with each other as the quarter progresses. When individuals set OKRs, they tend to resist changing them even when they need to align with others, and this causes either wasted work and conflict, or for people to spend far too long setting and aligning OKRs before work begins.

Roadmap

What do we need to build to get there?

Roadmaps can be controversial, and some people object to them, but I think of them as a sequence of things we know we're going to have to build in the coming year or two – perhaps longer – to realise our strategy. If you make a roadmap, the important part is the sequencing and interdependencies more than the exact timing. Like with longer term business goals, these help us make short term decisions now that will better suit our longer-term plans.

A note of caution: committing to dates for anything more than a quarter or two out is going to be very difficult to impossible without significant investment in predictability – which may not be complimentary to the strategy – and even short-term date commitments can be problematic for all but the smoothest of operating teams.

That said, many businesses have specific dates which are critical to their success (eg Apple must release their next iPhone before the Christmas season each year, otherwise they won't be able to capture the demand from people wanting to upgrade at that time), and it is worth them investing in making "high fidelity" commitment to delivering specific things by specific dates and making other trade-offs to do so.

Plan

How will we allocate resources to meet our OKRs?

I mentioned the difference between a plan and a strategy earlier, and here's where a plan becomes material. It is about the specifics of how you will allocate resources, on which projects, features, products, OKRs, and Business As Usual work (eg regular processes) for how long. I recommend using OKRs as an input for your plans, and only planning for one OKR cycle.

However, many businesses have need to plan over longer periods, especially for capital expenses or project with long lead times or pay-off periods. As plans become longer-term, the overlap with Roadmaps is significant – conceptually they are very similar though Plans usually have more detail.

Don't stress about the difference between Plans and Roadmaps, but make sure you keep your Plans and Roadmaps separate from your Strategies and Goals. The key difference to remember is that your Plans and Roadmaps are your current best ideas about what specifically you will do to meet your OKRs and your business Goals, implement your strategy, realise your vision and fulfil your mission. While changing them may incur a cost, you should change them whenever you learn something that causes you to have a better idea that is worth the cost of changing.

3. The OKR Operating System

OKRs don't do anything on their own.

Let's assume you have set the world's best OKRs. If that's all you do, nothing will happen, no matter how awe-inspiringly great your OKRs are. You need to do something to turn these OKRs into results.

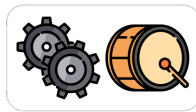
There are many variations on how to structure this, but I've distilled five components that I've found work well, and I call this the OKR Operating System. You will need to adapt from here for your organization and continue to adapt over time as you learn and change.



Planning Habit



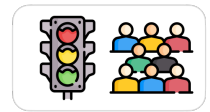
Operational Link



Execution Cadence



Strategic Link



Transparency Habit

1. **The Planning Habit** – a goal without a plan is just a dream.
2. **The Operational Link** – keep track of Business As Usual (BAU).
3. **The Execution Cadence** – make things happen every week.
4. **The Strategic Link** – make sure you're (still) doing the right things.
5. **The Transparency Habit** – create accountability and face reality.

You can implement these in sequence, as they all build on each other.

You likely have some of these elements already, perhaps with different names. Review your current approach with this framework in mind. If what you have works, build upon it, taking elements from this framework that solve specific problems and iterating with your current approach.



The Planning Habit

The foundation of your OKR Operating System is the habit of writing, reviewing, and revising plans to meet your OKRs while running your Business As Usual.

I call this a habit because in most companies, planning happens in a short period before the quarter begins where everyone tries to align with everyone else all at once. Trying to align everything at the start of the quarter is never going to work well, because aligning is hard and ongoing work – especially as things change. So the work of aligning all at once is high-stress and not very productive – and then the plan is never referred to again (or worse, it's followed religiously and never changed).

Instead, the **owner** should write a **One Page Plan** that is easy for others to read and understand. They then review it with peers, managers, stakeholders, and teams, and take input to revise it. Through the OKR

cycle, they review it regularly with these same people, take further input and revise the plan as they learn and align.

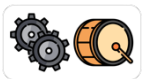
This plan is then the basis for your execution cadence, not as a blueprint to be followed, but as a basis for change to be iterated on, and the habit reveals misalignment naturally and prompts the ongoing work to resolve it.



The Operational Link

Often called a Weekly Business Review (WBR), this is when the leadership team comes together to review and discuss the operational data (metrics and feedback) that describes how the business is operating.

It's best to do this weekly to develop deep, shared familiarity with the business and associated data. The desired output is actions that improve operations and address issues or capture opportunities as they arise, context for adapting the One Page Plans for delivering the OKRs, deeper cross-functional understanding of the business, and strategic insights that drive future plans and OKRs.



The Execution Cadence

The heartbeat of your OKR Operating System is the weekly leadership meeting in which leaders create and maintain momentum, and which allows them to course correct. Run this meeting first thing every Monday and use it to drive the week's agenda. The meeting builds on the previous two elements of the OKR Operating System:

- Run the Operational Link (WBR) as part of this meeting or immediately beforehand because this context is critical for making informed decisions.
- Now exercise the Planning Habit, reviewing the One Page Plans to make decisions about what needs to happen in the upcoming week with full context.

The OKRs are not an agenda item, but act as guides during decision-making. As a group, you're reviewing what happened, how it's working, and what is planned, and making decisions to help you meet the OKRs you've set. The output of this meeting is actions, further meetings, changed plans, and shared insights.



The Strategic Link

At least once per OKR Cycle, you need to step out of the daily whirlwind and take a view from a higher level to ensure you're still doing the right things.

- First check progress and plans and predict where you'll get to by the end of the OKR Cycle.
- Then move up another level and ask if you're doing things right – have you got the right priorities and resource allocations to get the best results?
- Finally move to the strategic level and ask if what you're trying to do is still the right thing to do given what you've learnt since you last set OKRs.

In the Strategic Link, you make decisions to improve your outcomes for this OKR Cycle and prepare to set OKRs for the next OKR Cycle, being well-informed about how the current one is going. These decisions can happen as part of the Execution Cadence if they are urgent, but it's usually better to dedicate time to these discussions and focus on execution in the meantime.



The Transparency Habit

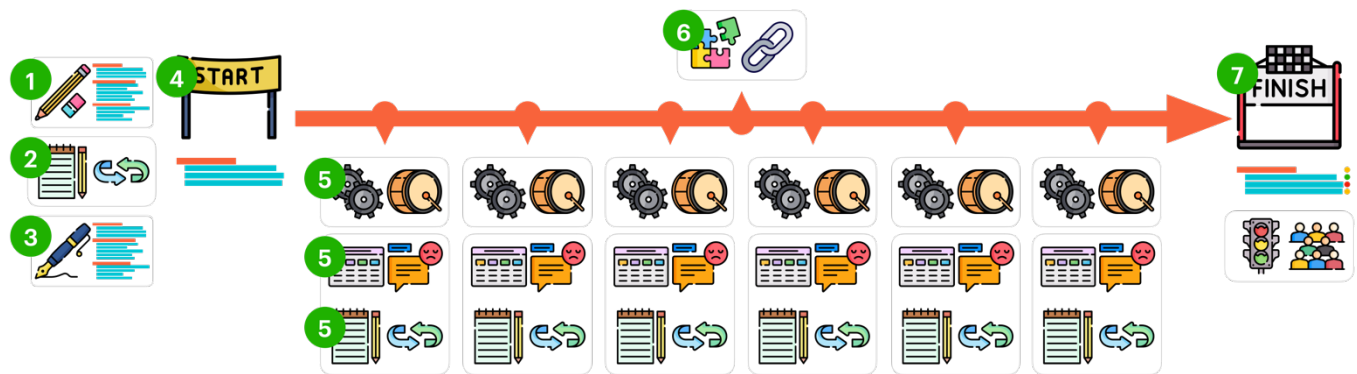
At the end of the OKR cycle the owner or senior leadership (at company level, the CEO), shares the results with everyone. This can happen in an all-hands for a company-level Set of OKRs, or a team meeting for a lower-level Set of OKRs – or even by email to a wider group of stakeholders if that is appropriate. As part of this, they share any learnings gained and celebrate the wins. This provides natural accountability⁶, and sets the scene for the next OKR cycle.

Expand the Transparency Habit to cover the rest of the OKR Operating System to share more context with people, create opportunities for coaching, increase trust and alignment, enable more empowerment and delegation, and hence increase execution speed by removing the dependence on the decision-making bottlenecks of the few people at the top.

⁶ No need for performance reviews or bonuses to be driven from OKR attainment – that clouds the issue and prompts people to push back against ambitious OKRs. See "Don't use OKRs for Performance Management" on page 31

4. Putting it All Together

When you put all these elements together, you have a map for your OKR Cycle at company level:

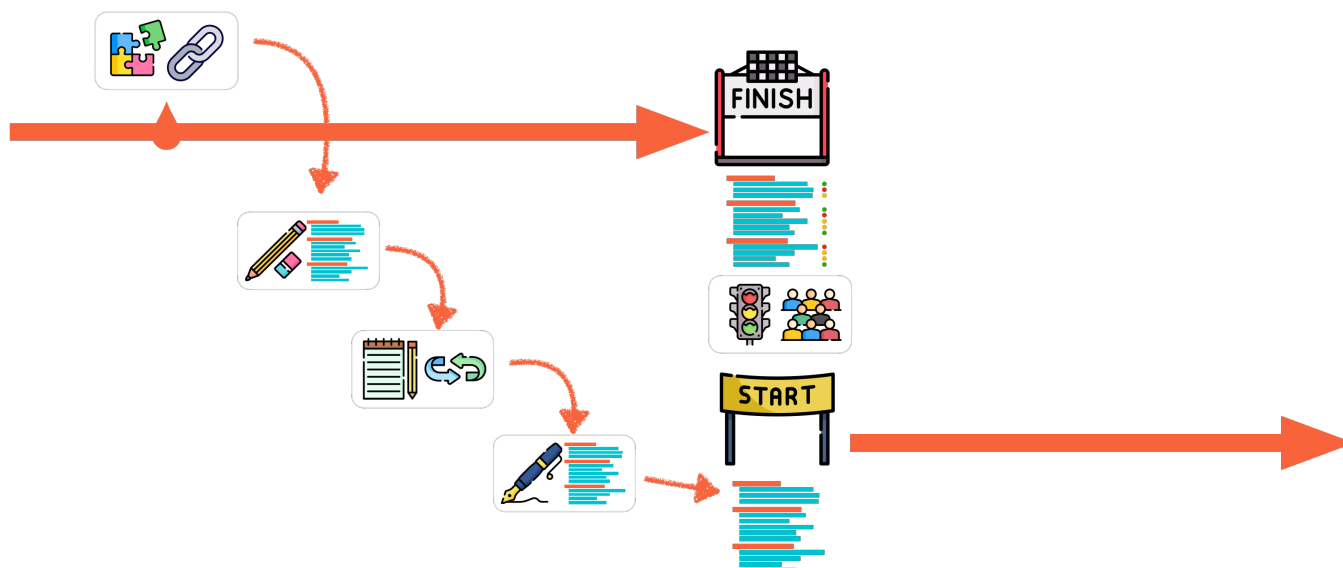


In sequence:

1. Draft **OKRs** (informed by your strategy) and allocate **owners**.
2. Write, Review and Revise **One Page Plans**.
3. Finalise **OKRs** based on the plans you have developed.
4. Kick off your **OKR Cycle** with an all-hands or similar meeting launching the OKRs.
5. Every week run the **Execution Cadence** to create the agenda for the rest of the week.
 - This includes **The Operational Link** (WBR) and **The Planning Habit**
6. Mid-cycle (or monthly!) run a **Strategic Link**, so you are ready for drafting the next set of OKRs.
7. Wrap up your OKR Cycle with the **Transparency Habit** in your all-hands or similar meeting.

Consecutive OKR Cycles

Consecutive OKR cycles link together at the all-hands, so you wrap up the last OKR Cycle (7) and Kick off the new one (4) at the same time, with most of the attention on the future. This means that steps 1-3 above for the next cycle happen in the last part of the current cycle, after the Strategic Link (6).



Specifically, run the strategic link half-way or two thirds of the way through your quarter. Based on what comes out of this, you may need to do some work to update your strategy – perhaps even a few deep dive analyses to answer some questions.

But once you have some clarity and alignment on the strategy going forward, get started drafting the next quarters OKRs, kicking off the Planning Habit, and then finalise them, so you're ready for the all-hands kick-off, where you'll wrap up the quarter and kick off the new one, always focused on creating momentum for the future rather than looking backwards with introspection.

Some organisations I have come across engineer a gap between quarters to stop, take stock, and set up the new quarter. One company in France aligns this with their regular vacation periods, so between each three-month quarter (or actually "third", as they only have three of them per year), they have a month "off" for vacations and OKR writing and planning, one each coinciding with Christmas, Easter and Summer vacation periods. I don't think this is necessary, but it works for them.

Do what works for you.

Select Parts Of The Operating System To Duplicate

You could, in theory, run the whole OKR Operating System for every layer of management, and for every product, project and so on. It would be an enormous overhead and involve a lot of duplicate work.

Don't do that.

Only duplicate an element where it makes sense to do so.

We've already mentioned minimising the number of **OKRs** and number of Sets of OKRs in your organisation and will talk more about that in "OKR Pitfalls to Avoid" on page 39.

Elements to Use Widely

Most managers, teams, projects, and projects should have some variation of the **One Page Plan**, because whenever you need to prioritise and co-ordinate the work of a group of people, and collaborate with other groups, you need a plan of some sort. In many cases, wherever a large problem needs to be solved, an additional plan can be developed, and then integrated with the rest of **The Planning Habit**. Often, these plans then roll up into higher-level plans with a bit more abstraction.⁷

Most managers, teams, projects, and projects should also run their own version of **The Execution Cadence** covering the collection of Plans that are relevant to that scope. Typically, the sequencing of these execution cadence meetings between teams is important as requests or actions from "senior" meetings often flow down into the more "junior" meetings and that work needs to be accommodated. Frequently it makes sense to combine teams cadence meetings together by function or by cross-functional team. Note that software teams often do this already in a different form with Scrum planning and daily stand-ups. No need to duplicate these if there isn't value in doing so.

Elements to Share and Consolidate

Many *functions* and *products* run their own version of **The Operational Link** or WBR – it's rarely needed on a per-team basis. Typically, these meetings will be owned by Directors or VP-level people, or cross-functional leaders. Share the underlying data between WBRs where relevant to inform the right conversations, and occasionally attend other WBRs to get and share cross-functional views.

Note that many sales teams already run a pipeline review, operations teams run operations reviews, and so on. No need to duplicate or replace these if there isn't value in doing so but do consider increasing the cross-functional nature of such meetings.

Similarly, it's common to run **The Strategic Link** meeting with a cross-functional group or wider division, rather than in every smaller team. The intention is usually to get a broader perspective with multiple points of view.

While **The Transparency Habit** should be adopted everywhere, minimise the number of separate all-hands style kick-off and wrap events, probably having them only where there's a set of OKRs that need communicating, or for larger divisions where a dedicated start and finish to the OKR Cycle is beneficial.

⁷ The work of synthesising multiple plans together into a single view is core to the work of a leader and is the primary mechanism that senior leaders use to get a meaningful view of all the various things happening in a large organisation. It is simply not possible for them to process all of the details individually.

Most managers will run their own kick-off meetings for their teams, but these are usually dedicated mostly to answering questions from the larger event(s), rather than yet another kick-off.

Discuss:

- Which elements exist in your organisation already?
- Which do you want to focus on improving?
- How will you adapt for different levels in your organisation?

All About OKRs

Recall that a **Set of OKRs** have:

- A consistent *time constraint* (**OKR Cycle**)
- 1-3 inspiring statements of *what we will achieve* in that OKR Cycle (**Objectives**)
- 2-5 unambiguous *definitions of success* (**Key Results**) for each Objective
- A single person named to own each Objective or Key Result (**Owner**)

For example: In:

Q4

Owners

We will:

Scale Up Our Sales Machine

As measured by:

Increase Average Monthly Webinar Attendance from 10 to 100

Mike - CMO

Increase Initial Meetings with Qualified Leads per Month from 2 to 5

Joanne - CCO

Increase Conversion Rate of Qualified Lead to Sale from 15% to 30%

Joanne - CCO

Sign our First No-Touch Trial Customer

Sarah - CPO

Let's dig into each.

5.Choosing your OKR Cycle

The **OKR Cycle** should be consistent across your organization.

Most businesses use the calendar quarter or an offset quarter to align with their financial reporting and sales periods, though I have seen OKR Cycle durations from 4 weeks to 12 months, and even a three-month cycle with one month breaks to match vacation periods.

Three months is long enough to achieve something meaningful, but short enough to create urgency and allow for course-correction without too much delay. Three months is also a relatively easy period to plan for, making the OKR writing and planning process relatively painless compared to longer cycles.

Shorter cycles like two months, six weeks, or even one month can work if you are very early stage or in a particularly fast-moving environment and need to change direction more frequently than three months. But if you do use a short cycle like this, minimise the overhead by using only a single Objective.

An annual OKR Cycle tends to suit larger, more established organisations with a slower pace of change and more need for long-term planning. For example, Google started with quarterly OKRs in 1999, then started using annual OKRs at company level with quarterly team OKRs elsewhere⁸ around 2010, then their moved to an annual cycle for all OKRs in 2019. This works for them because they are at a scale and stage where their primary focus is on executing a well-established business model, rather than change or innovation (I've just pissed off 150,000 Googlers!). For most businesses, three months is better.

The one exception to regular cycles I recommend considering is for project-based teams, where it can make sense to have project-duration based OKRs if the projects are about quarter-length but start and end times don't align with quarter starts and ends.

TL;DR Version: Select an OKR Cycle that matches the natural rhythm of your organization, which is usually going to be quarter-based. This shouldn't be a complex decision, and it's one you can revise later!

For simplicity's sake, I'll sometimes refer to your OKR Cycle as a Quarter for the rest of this document.

Discuss:

- What OKR Cycle or combination of OKR Cycles do you want for your organisation?

⁸ Yes, this goes against the "consistent across your organization" advice I gave at the top, but at that stage, Google had over 20,000 people and was organized in seven divisions. And even so, the annual and quarterly cycles are still coordinated, even if not identical.

6. Writing your OKRs

There is a lot of material available about how to write the perfect OKRs. I've tried to distil this into some simple principles that are easily understood.

The high-level approach you should take is to start from your strategy, break it down into the things you want to achieve (Objectives), and then identify the major problems you need to solve along the way, and finally define what best characterises good solutions to these problems (Key Results).⁹

These Key Results (or groups of Key Results under a single Objective) can be delegated to an **owner** (see "Allocate Owners" on page 33) who will be responsible for leading the (often cross-functional and cross-team) effort to deliver them. There is no need to structure your organisational chart and reporting lines to match your OKRs (and whatever you do, don't constrain your OKRs to match your organisational chart!) in the short term, though in the longer term if there are consistent patterns, it can help to adapt the organisation to the work that you need to accomplish.

If you don't have a strategy, or if it's a bit unclear, or if you think you have a strategy, but it is difficult to set OKRs, spend some time to write down a strategy and align around it.

There is an alternative to starting with the strategy, which is to start from your list of the tasks that need doing, and work "upwards" from there. That is, uncovering the value you're trying to create with a given set of tasks, and then capturing that as a Key Result, then collecting these Key Results together into themes and identifying the Objectives you're trying to meet with each.

Doing this isn't going to be as effective as starting with strategy, but it can help you recognise the implicit strategy you are following, which then makes it possible to reason about whether you're doing the right things in the first place! Most of the time, when there isn't a conscious strategy, you'll find that you're doing a collection of unrelated tasks and grouping them feels artificial, and you really do need to spend some time on strategy!

The next sections are mostly tactical details about how to write OKRs, so please read it while keeping the above in mind.

⁹ This is as distinct from defining the work to be done. Instead, we're defining the solutions we need, hence the problems to be solved – and leaving it to employees to figure out what work should be done. This empowers them, and engages them in the real work, rather than leaving them feeling like cogs in a machine they have no control over. Apart from more engaged employees, you also benefit from the use of more of their brainpower, and hence faster and better decision-making.

7. Writing Objectives

If everything is a priority, nothing is a priority.

Working from your strategy, identify the 1-3 most important things you want to achieve this quarter. This can be hard. The secret, apart from having a clear strategy, is to prioritise ruthlessly.

If you haven't done this before, writing objectives to cover "phase 2" will require significant work to fill in the gaps between the activities and "profit". Resist simply selecting a few lower level OKRs (if you have them) to elevate and instead, focus on taking your strategy and distilling it to a few key themes.

You may also need to do some dependency analysis, so you can sequence things correctly – there's usually a few core items that make everything else easier, and you should prioritise these. Make sure to include some "Quick Wins" that your customers will benefit from during the quarter as well.¹⁰

Take input from your team, of course, but the leader is always responsible for the final decision. If you don't do this, then you are implicitly delegating that decision to a group of people who are junior to you – and if you struggle to make that decision, they will struggle more, and usually end up with multiple conflicting directions. For this reason, while it's often good to take input from the rest of the organisation, it's usually better if the CEO and leadership team writes at least the objectives.

Yes, this means that the CEO, usually working closely with the C-Team¹¹, should be writing Objectives for the organisation, and owning those decisions as much as they own the strategy for the organisation¹². And if you're leading a smaller team within a company, say a product team or function, you should take the same role.

No matter what, if you're using OKRs, the act of setting Objectives is a core part of the leaders' responsibilities.¹³ This gives you as a leadership team direct ownership of the success of the strategy. If the OKRs are met and the strategy is going well, but you are not getting the financial results you desire, then you know you need to modify the strategy.

What are Objectives?

The Objectives should communicate the strategy for the current OKR Cycle¹⁴. Their purpose is to set direction and motivate action.

¹⁰ If you work solely on long term projects that don't deliver benefit to your customers for a whole quarter or more, you risk losing their trust, and that will damage the momentum and morale of your team. When you deliver some quick wins that customers value, even if they are not the "logical" first things to do, you earn trust and build momentum that will help you accelerate progress in following quarters.

¹¹ Or equivalent for a standalone business unit.

¹² They do own the strategy, right? You're not delegating strategy to a "Strategy" team or worse, external consultants, are you? Sure, use them to help you develop a strategy, to inform your decisions, but as a leader, these decisions are a fundamental part of what you are responsible for.

¹³ It often makes sense to delegate writing the Key Results to the next layer, but at least while developing the OKR muscle, keep close involvement in this process too.

¹⁴ The strategy doesn't (necessarily) change each OKR Cycle, but what you need to achieve to implement your strategy does. The Objectives communicate what you need to achieve this OKR Cycle to implement your strategy.

An Objective is like a key statement within your elevator pitch for what you're doing this OKR Cycle. It should be inspiring and memorable, and it can be informal¹⁵. It should fit into conversation naturally, with simple language. If people are debating how to solve a problem, and someone asks, "what are we really trying to do here?", the Objective is often a great answer.

Objectives can be subjective and even a little ambiguous because the Key Results clarify them.

Objectives often last for multiple OKR Cycles, while the Key Results are usually changed each time as progress is made.

Example Objectives

Here are some example Objectives adapted from a few real companies.

- Livestream the most important global events of [this year]
- Become a sales machine
- Expand our market to France
- Help more people use public transport in more cities
- Launch a self-service offering for the mass market

Don't try to interpret a single strategy from these examples, as they are from different contexts!

How to Write Objectives

Write objectives using this form as a guide: We will [**VERB**] [**OUTCOME**].

The best verbs are strong, action verbs, communicating change: transform, become, create, exceed, achieve, reach, launch, make, etc. You can get more specific about your own business as long as it's clear (eg "livestream" above).

The best outcomes are the ones that make the biggest impact on your team and represent value for your stakeholders. Usually if the outcomes are customer-visible, they will do both well. Great outcomes are also very specific to your team and business. If they could apply to almost any similar team or company, they are probably too generic to be meaningful.

If you're struggling to know what Objective to set (rather than how to phrase it), return to your strategy. If you have a strong strategy, it should be clear what the most important objectives to achieve are. Choose these. If not, the problem is not writing OKRs but clarifying your strategy¹⁶.

Discuss: Discuss some potential Objectives for your organisation, aiming to fill the "Phase 2"

¹⁵ Some organisations use in-jokes, slang or even profanity – use what works for your culture.

¹⁶ This is out of scope for this document.

8. Writing Key Results

Once you have Objectives, you need to define success unambiguously by writing the Key Results.

This process takes some iteration because you also need to do some planning to figure out what is feasible, and that requires the engagement of the people who will do the work. At the same time, selecting the key results and even the targets is an exercise in prioritisation and hence in at least interpreting strategy, so it's important that the people writing the Key Results fully understand the strategy intended, not just the details of their domain.

As organisations mature in their use of OKRs, and the strategy and planning processes become smoother, it's common to delegate writing Key Results to the same people who will do the work, but initially at least, the senior leaders should have a close involvement in it and use the Key Result writing process as an opportunity to coach on prioritisation and strategy, and to get a deeper understanding of how their teams are planning.

The general process is to select good candidate metrics and milestones, then nominate owners who refine them and set the targets through the planning process. This makes developing the OKRs a combination of top-down and bottom up and helps develop buy-in from the people doing the work.

What are Key Results?

The Key Results define success in achieving the Objective this OKR Cycle. We will achieve this Objective *as measured by* these Key Results.

Key Results don't need to be memorable but do need to be unambiguous. While the Objectives can be *subjective*, the Key Results must be *objective*.

Key Results define the problem and constrain the solution. What matters is the behaviour they drive for the specific team(s) involved.

Example Key Results

Here are some example Key Results for one of the Objectives from above:

Objective: Launch a self-service offering for the mass market

- Reduce CAC for self-service customers from \$142 to \$63
- Prove that this funnel can scale to over 100 new customers per day
- Reduce the number of steps to onboard a customer from 37 to 5
- Onboard 20 consecutive customers with no interaction from customer service
- Maintain NPS score over 47 from these customers

Some other example Key Results adapted from real life companies – these relate to different objectives, so aren't a coherent set like above, but I wanted to include them for reference.

- Increase search relevancy score from X to Y
- Decrease average page load speed from 0.8s to 0.6s
- Maintain weekly average downtime below 0.6%
- Decrease onboarding time from 4 hours to 1 hour
- Measure the impact on engagement of 4 new features
- Launch native iOS app by the earnings call on [date]

How to Write Key Results

There are a few common forms for Key Results, and it's usually best to stick with one of these established patterns, optionally adding an explicit "by [date]" if necessary¹⁷:

- **Improvements:** Increase/Decrease [**METRIC**] from [**X**] to [**Y**]
- **Quality Control:** Maintain [**METRIC**] above/below [**X**]
- **Operationalisation:** Start measuring [**METRIC**]
- **Project Milestones:** Deliver [**CRITICAL MILESTONE**]
- **Investigation:** Test [**HYPOTHESIS**]

Ideally, most of your Key Results will be Metric-based and represent the real value your customers (and stakeholders) perceive. Too many Milestone-based Key Results can have the effect of shutting down innovation and independent thinking by constraining the solution space and defining tasks without defining the value that is being created, or what distinguishes a good solution from a bad solution.

The critical decision is choosing the metric, milestone, or hypothesis to use in the Key Result. Once you have that, writing becomes easy.

Discuss: Take one of the example Objectives you've discussed and come up with a few ideas for Key Results that would define success for it.

The Golden Rule: Key Results Must Be Unambiguous

If you remember only rule about Key Results, make it this: **Key Results Must Be Unambiguous.**

If Key Results are ambiguous, there could be debate about whether you've attained them at the end of the OKR Cycle. That doesn't sound like such a problem, but if it's possible to have this debate at the end, how will people agree on what work to do during the quarter?

¹⁷ By default, the date is the end of the OKR Cycle.

An example of an ambiguous Key Result: *Implement Best Practice Sales Methodology*

Let's imagine the conversation at the end of the OKR Cycle:

- "We've done the training – success!"
- "I don't think that training was actually 'Best Practice'!"
- "We did the training, but we're not following it consistently!"
- "Do we include the Partnerships team in the Key Result? We missed the training!"

It's obvious that these people disagree on what success means, so during the quarter they aren't aligned, and they would have struggled to collaborate effectively.

The solution to this is to get really clear about how you could distinguish a successful implementation from an unsuccessful one. The rest of this section discusses this in detail.

A more subtle example: *Increase Average Monthly Webinar Attendance from 10 to 100*

Initially you may wonder what's ambiguous about this – but it depends how to define "Average Monthly Webinar Attendance". Is it an average over the three months, or a rolling average? Which webinars are to be included and which are not? Are we counting registrations or attendees?

The solution to this is to write down definitions along with the Key Results:

Average Monthly Webinar Attendance: Rolling average of total attendance of all Sales Team Webinars during past 4 weeks, as captured in Zoom Reports.

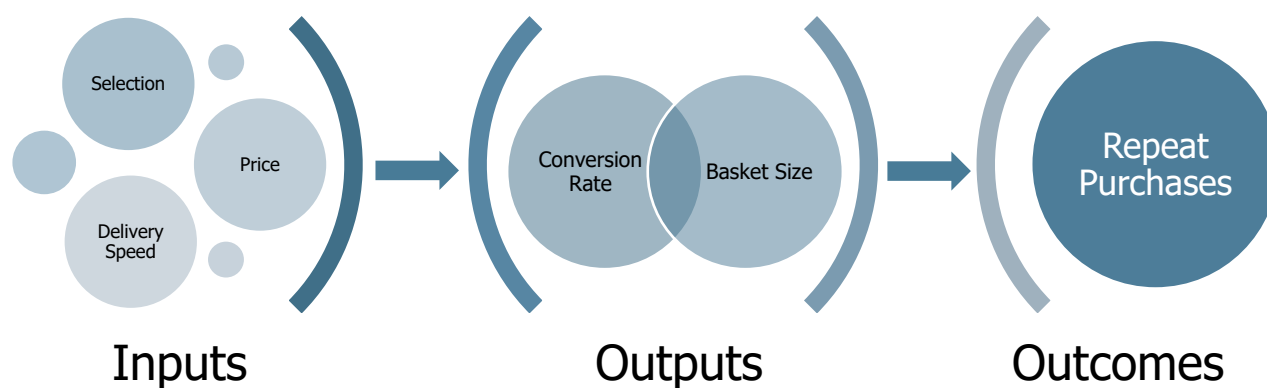
This definition makes it clear that we mean to increase total webinar attendance, rather than (say) registrations per webinar specifically. This may lead to a very productive debate about what we're really trying to achieve and how best to measure that, giving a deeper understanding of the specifics of the strategy. But what's more, it will then focus the work during the quarter on creating that specific value, rather than a collection of other things which might not be so relevant.

9. Selecting Metrics and Milestones

Key Results often cause leaders a great deal of angst because there are so many rules out there, and in many cases they conflict. Always remember that rather than trying to meet a technical definition of a perfect Key Result, you are setting a problem for people to solve. The purpose of the Key Result is to drive behaviour, to influence decisions, not to get full marks on a Key Result exam.

Key Results can be Inputs, Outputs, or Outcomes

Key Results fall into three categories: Inputs, Outputs and Outcomes. The exact category a given Key Result falls into isn't always completely clear (because an output for one process may be an input for another, for example), but the mental model is useful.



Inputs

Inputs are things that you can control. They create the Outputs, which deliver the Outcomes.

Select Input Key Results if you have high confidence about what to do to get a desired outcome (that is, you have a clear and proven strategy), or if your team is too junior or lacks context to decide which inputs to use themselves.

Example Input Key Results for an eCommerce business:

- Increase number of products listed for sale on the site from 300 to 800
- Decrease 7 day average products priced above key competitors from 30% to 10%
- Decrease 7 day average delivery speed from 3.4 days to 2.1 days
- Enable Customers to pay with PayPal

Note that most input metrics can also be considered outputs of some other inputs. It's usually advisable to have higher-level inputs rather than lower-level inputs, as this allows people more room for innovation and problem-solving. For example, "sign on 15 more product suppliers" is a potential input for the first example

about increasing the number of products listed for sale above, but it is lower level, in that it constrains the actions the teams can take. Perhaps they could also increase the number of products listed per supplier, extend the lifetime products are listed for, or add whole new categories of products.

The potential downsides of using input Key Results are that they can lead to micromanagement especially if the input chosen is too low-level; and if your choice of input is incorrect, you'll have sent people down the wrong path and course-correcting can be difficult. On the upside, it creates significant clarity and focuses people on a specific lever you have identified as part of your strategy.

Outputs

Outputs are the effects of your inputs. You can't directly control them, but they are clear markers of value and are objectively measurable. Select Output Key Results when you aren't clear what the right inputs are, when you want to delegate the task of selecting the right inputs to your team, or when you're looking for more creativity, innovation, and initiative but still constrain the solution space.

Example Output Key Results:

- Increase Conversion Rate from 7.3% to 9.5%
- Increase Average Basket Size from €85 to €98

Setting Output Key Results can provide a broader scope for innovation, but also leaves more room for misalignment.

Outcomes

Outcomes are the desired benefit from your outputs. They are usually directly valuable to customers and ideally relate clearly to your strategy. Select outcome key results when you want maximum team empowerment and scope for innovation and are willing to put the effort in to align and focus efforts during the quarter – because innovation means that people will have different ideas.

Example Outcome Key Results:

- Increase new customers who make repeat purchases within 30 days from 43% to 65%
- Increase NPS from 23 to 50

One of the biggest challenges with outcome Key Results is that selecting the right target can be challenging. The relationship between the inputs you can control and the outcomes you want is unclear, so it's difficult to know if a given target is realistic, too ambitious, or too unambitious. If you use Outcome Key Results, set aspirational targets, and use this as a tool to inspire people to innovate rather than expecting to meet 100% of the target every time.

The second big challenge is that they can be ambiguous, lagging or just hard to measure. Typically, the outcome occurs with a significant delay after the work was completed, and there may be many other factors that contributed to it. For example, the repeat purchases Key Result above has a built-in lag of 30 days after the work to affect it is completed, and then the statistic may be affected by seasonality more than the work itself.

Discuss: Take one the example Objective and Key Result ideas you've already discussed and identify whether the Key Results you have are Inputs, Outputs and Outcomes, and generate some additional ideas for the other categories.

How to Select Inputs, Outputs or Outcomes

Come up with some candidate Key Results from each category, and then select the right one(s) for your current context, given your confidence about what needs to be done and the needs of your team. In many cases a combination of Inputs, Outputs and Outcomes can help.

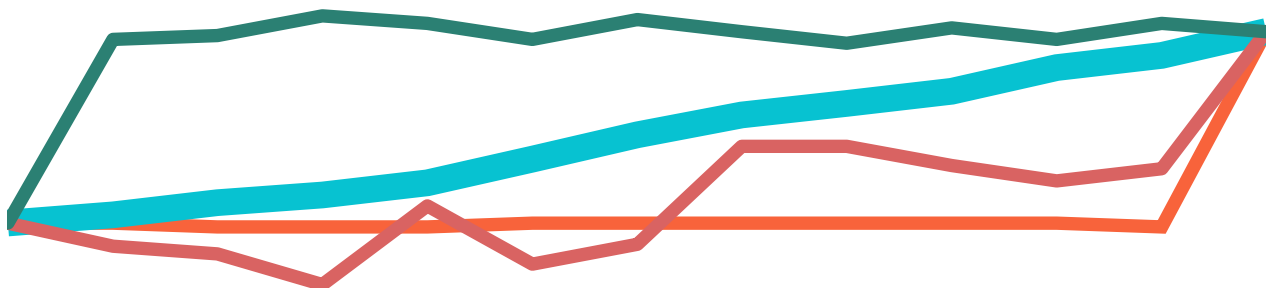
Inputs are usually easier to set than Outputs, which are easier to set than Outcomes. However the effort invested in selecting the right Outcomes can be beneficial because it provides scope for coaching a team in developing the right Outputs and Inputs – and it's easier to narrow a team down on the right Outputs and Inputs than to expand their thinking broader than what is specified in a Key Result that is too narrow.

One clear advantage of using inputs is that they are inherently leading indicators. You control the input before you see the output, and you see the output before you see the outcome. It's hard to come up with leading outcomes, for example. When writing your Key Results, consider how lagging the metrics are. If the lag is likely to be significant in relation to your OKR Cycle, then while it may be a useful metric to track in your Operational Link, and it could be a good topic to discuss in your strategy presentations, it's unlikely to be a good Key Result, and you should invest more time in finding leading indicators.

Effort invested in your Operational Link will help inform these decisions as you identify the metrics that really matter for your business with more fidelity, but don't let yourself get stuck in analysis paralysis – any decision is better than no decision.

How to Select Metrics

Define the metric so it represents progressive change (see the thick blue line in the diagram below), so you can track progress more easily and even see the change compared to the previous cycle. and compare this OKR Cycle with the previous one.



Rolling Averages can help here. For example:

- Not "Increase total clients onboarded this quarter from 0 to 423"
- Try "Increase 7 day average number of clients onboarded from 13 to 25"

The first option is hard to see how much change this requires over the previous quarter, and it's hard to know if you're on track at any point during the quarter. The second option is much clearer how this is a sustained improvement from the previous OKR Cycle and emphasises the desire for sustained change rather than a one-off surge.

Your ideal metric progresses through a successful quarter progressively like the blue line in the diagram below. If you can't find a metric that does this that is meaningful, you'll need to do a little more work in your One Page Plan, Execution Cadence and Strategic Link to understand your progress. Tracking metrics over time in your Operational Link can help you understand their behaviour better and select better metrics in future.

How to Set Baselines

Setting the baseline should be easy. If it's not, it's an indicator that your metric definition isn't going to work well, because if you can find the number now, how will you find it at the end of the quarter?

In some cases, you need to build the metric system to find the baseline during the OKR Cycle, before you can set the desired target. It's quite OK to have two Key Results like "Start measuring [**METRIC**] by [**date**]" and "Increase [**METRIC**] from [**X**] to [**Y**]". Then you fill in the X and Y once you have the baseline. You could even have a variable target like "Increase [**METRIC**] from [**X**] to [**X**]+5" or something similar, if you already have confidence of what you need to do and only lack the baseline.

How to Set Targets

Setting the target requires using the Planning Habit to explore what is feasible with the resources available given the constraints and other responsibilities they have.

There's always some judgement required about how ambitious to make the target, and it primarily depends on how this target will affect your team. If the team has low morale, perhaps accept a lower target so they can beat it easily and get a morale boost. If the team is typically too conservative and risk-averse, set a more ambitious target to encourage out-of-the-box thinking.

Remember, the purpose of the OKR is to drive performance, not to assess performance (see "Don't use OKRs for Performance Management" on page 41).

How to Select Milestones

Some people advocate not using milestones at all and using only metric-based Key Results – and specifically metrics that measure customer value.

But sometimes, a Milestone is the right tool to use for a Key Result, and specifying a metric is artificial and confusing. For example:

- Launch iOS app publicly in App Store by [conference] on [date]
- Enable customers to buy eligible products using PayPal

These both define a clear customer-visible critical milestone towards a particular objective. Defining a specific number of downloads or sales may be unrealistic for the timescale and may distract from the actual intention.

Use these types of Key Results sparingly because they easily degenerate into a task list. If you can accompany them with a metric-based Key Results that define meeting this milestone successfully (eg Focus Group UX rating over X; PayPal checkout conversion rate over Y), then it can help to focus people on creating value rather than merely performing tasks.

How to Select Hypotheses

When you're in the search phase of business model development, or you're doing a lot of customer discovery or trying to develop a strategy, sometimes the result you desire is not an input, output, or outcome, it is a learning. For example:

- Test if faster delivery speed causes an increase in repeat purchases
- Test if there is sufficient market demand for a super-premium option

Most of this kind of testing is really strategy development, customer discovery, or product management, and it's best to learn how to select these Hypotheses Key Results from literature in those domains.

10. Allocate Owners

If everyone is responsible, no-one is responsible.

After you have drafted the OKRs, nominate a *single owner* for each Objective *or* for each Key Result within an Objective¹⁸. This could be anyone from the CEO or one of the C-Team, or someone another layer further down. Ideally, that owner has already been deeply involved in drafting that Objective or Key Result¹⁹, but they need to be involved in finalising it.

Delegating ownership of a meaty Objective and the planning associated with it is a great way to develop your team members. Working closely with them as they lead the process is great for coaching them while also remaining involved yourself. Be cautious not to delegate too deeply – if you're delegating major responsibilities deep into your organisation, it raises questions what the higher level managers are there for.

The owner is often the senior leader who is managing the team with the bulk of the responsibility for delivering the OKR, but they can be the person with most interest in the benefit, or someone like a Product Manager or Leader. Most company level OKRs are truly cross-functional, so it's rare that a single leader will have all the resources necessary to deliver everything associated.

A single person may be owner for multiple OKRs, and/or they may be contributing to multiple OKRs they are not owner for, or they may be not involved in any OKRs – that is, their responsibilities may be entirely in Business As Usual.

If possible, aim to have **single threaded leaders**²⁰ who are responsible for only one Objective or Key Result. This may require further delegation, which can complicate collaboration across functions when the relative levels of the leaders involved are unbalanced, so use careful judgement when doing so²¹.

The owner writes²² a One Page Plan (see "The Planning Habit" on page 46) and engages other teams and leaders who need to contribute and ensure they have included their contributions in their One Page Plans. It can help to nominate some of those leaders as named contributors but avoid splitting ownership.

The owner helps finalise the OKRs based on these plans, proposing changes and alternatives as needed. The management team should challenge the plan if they find it lacking credibility or not sufficiently ambitious, and then settle on final OKRs that are supported by the final plan.

¹⁸ You can't mix and match within a single Objective, because then there's ambiguity of ownership.

¹⁹ For convenience's sake, I will refer to an Objective or Key Result as an "OKR" in reference to owners going forward – but please interpret this as flexibly as the context allows.

²⁰ This concept is from Amazon, where the Single Threaded Leader is the most senior person who is full time on a given problem. Amazon tries to ensure that that person also has all the *resources* needed to solve that problem 100% dedicated either by direct or dotted line reporting (it's a complex matrix organisation).

²¹ Selecting the right owners for each Objective or Key Result is an important decision and may reveal organisational problems.

²² They can delegate this work to one or more of their reports – that's why managers have teams – but they are still the owner.

During the OKR Cycle, the owner will meet regularly with the other leaders to track and assess progress together and course-correct where necessary. This is effectively another Execution Cadence meeting with a different scope and participants to the main company one.

The owner will also usually take the lead on this topic in relevant meetings such as the Execution Cadence weekly meeting, the Strategic Link meeting, and the kick-off and wrap-up All-Hands.

Discuss: Take one of the example Objectives you've discussed, or a Key Result, and discuss who would be the best owner for this, and who they should be working with.

11. Tips for Great OKRS

Great OKRs matter to customers – that’s what makes them matter to employees.

Great OKRs make the vision and strategy concrete – that’s how they set direction.

Great OKRs are ambitious – that’s how they motivate action.

When writing your OKRs, ask how your customers might describe the value you want to deliver from your strategy this OKR Cycle. If it’s something exciting to them, and it’s from your strategy, you’re probably on the right track.

The test of a Great OKR is in the answer to the question “why this, and why now?” If the answer to this question is clear and compelling, you probably have a Great OKR. You also have the rest of your elevator pitch and can use it at your all-hands when you launch the OKRs.

OKRs are Drafts Until There Is a Credible Plan

You could write a theoretically perfect OKR, but if you can’t also create a credible plan to deliver them, the OKR is worthless. Hence, when first written, Objectives and especially the Key Results are drafts.

The owner then writes a One Page Plan (see “The Planning Habit” on page 46) and does the analysis required to see what is actually feasible, working with dependencies to gain confidence about what is possible with the resources and constraints available.

The owner of the Plan should then propose back any suggestions to update the OKRs with better metrics, targets, baselines, or milestones as appropriate, and only then is it worth finalising the OKRs.

On occasion, the gap between what is desired and what is possible is so great that the strategy may need revising and OKRs reconsidering. While this is a painful discovery, it’s far better to discover it before the work is started in earnest²³.

Discuss: Have there been examples in the past where there was a big gap between ambitions and delivered reality? How could working through a plan in advance have helped address these?

²³ Not all such problems can be detected in advance – that’s the reality of ambitious, ambiguous work.

Navigate the Micromanagement Continuum



Key Results exist on a continuum between Micromanagement and Vague Vision Peddling, and rather than following rules, it's important to find the sweet spot that drives the right behaviour for the specific team(s), situation, and leader(s).

For example, if a company-level Objective for a 100-person B2B SaaS business was to "Transform to a self-service model", here are three example Key Results related to the onboarding process:

1. Launch an AI Onboarding Chatbot
2. Reduce the total number of steps required to onboard customers from 19 to 3
3. Reduce cost of onboarding from \$500 per customer to \$50 per customer

The first Key Result is really a task. It may or may not be the most effective way to achieve the Objective. It focuses on product development without involving customer service or marketing. For many teams and contexts, it is likely too close to micromanaging. Yet, without significantly more context, it's not clear what a successful AI Onboarding Chatbot would do.

The second Key Result could be quite good for many teams and contexts. It defines a clear problem to solve that will help achieve the objective but leaves plenty of scope for innovation and experimentation to get there, and it's easy to see how cross-functional teams can contribute to this goal. For some teams it may still be too constraining, and for others it may be too abstract.

The third Key Result may be too vague for many teams and contexts. It's quite possible to meet that Key Result in ways that would be great ways to meet the objective, or which would be poor ways. But most of the teams involved probably don't have the context to be able to make the right judgement and achieve the goal.

In each case though, you could imagine a team and context for which that Key Result is set at the right level.

Discuss: Brainstorm an example from the past where a goal has been too high-level, and another which was too low-level.

Improving Task-based Key Results

It can be quite natural to write Task-based Key Results, especially to start with. These are usually easy to detect, especially if the team responds negatively to micromanaging! To help empower teams to decide which tasks are best to meet the objective – and hence, delegate further and accelerate decision-making – use the following questions:

- Why are we doing this task?
- How would we know if we were successful?
- How would we differentiate doing this task well from doing it poorly?
- How will our customers measure our success?
- What alternative tasks could we do, and what do they have in common with this task?

These help identify what success really looks like – which metrics or milestones actually matter. These are then a good basis for writing empowered Key Results.

Discuss: How could the low-level goal be improved?

Improving Vague Key Results

Many leaders find it easy to write Key Results based on financial metrics, or which are otherwise too high level and leave too much ambiguity for teams to deal with. To detect these, it's often necessary to observe people trying to align on how to achieve the results. If the problems they are solving seem too abstract or could be misaligned with strategy, use the following questions to narrow down the problems space and constrain the solutions more.

- How are we creating this profit or benefit?
- What value is created that we are capturing?
- What is the input for this output?
- What differentiates our strategy from others?
- How could we identify if the solution was aligned with our strategy or not?

These questions help you constrain the problem to a more limited set of metrics and milestones, which are usually closer to customer needs and can be considered input metrics rather than output metrics. These are then a good basis for writing more constrained Key Results.

Discuss: How could the high-level goal be improved?

Great OKRs Matter Less Than You Might Think

Don't overthink your OKRs, especially for your first OKR Cycle.

Remember that OKRs are just one of the tools in your management toolbox, and if you get them "wrong", you still have other tools to help you get to the right result. It's better to write "good enough" OKRs and then focus on the work, learning as you go to make better OKRs for the next OKR Cycle, rather than getting bogged down in analysis paralysis as you identify the perfect OKRs and are then too exhausted or jaded to do the work!

Same goes for Strategy, at least in the short term. If your strategy is unclear, set the best direction you can for this OKR Cycle, build your execution muscle, and acquire context to inform your strategy.

12. OKR Pitfalls to Avoid

There are a bunch of common errors people make with OKRs. Try to avoid them with these tips:

Don't Have Too Many OKRs

We've already discussed that each Set of OKRs should have 1-3 Objectives and each Objective should have 2-5 Key Results. You can break that rule if you need to, but you risk confusing people with too many priorities.

More important than limiting the number of Objectives and Key Results though, is to limit the number of Sets of OKRs. Use the minimum number of Sets of OKRs you can – start with a set of company OKRs and add more Sets of OKRs only where necessary to clarify strategy for a specific scope. For example, you may want a set of OKRs for a specific product, market, or function – though in general cross-functional OKRs add more value.

Some leaders find OKRs so compelling they want to use them for everything. Every team, every manager, every product, every project, and even every individual²⁴ has their own Set of OKRs.

This OKR proliferation doesn't work well for three reasons:

Firstly, it prevents **focus**. An individual prioritizing their daily work must choose from tens of OKRs – their own, their team's, their manager's (and their manager's manager's), as well as every stakeholder's OKRs. Rather than helping them focus, too many OKRs distracts and diverts.

Secondly, it prevents **alignment**. Each additional OKR must align with exponentially more other OKRs. In any non-trivial organisation alignment is a substantial proportion of the effort, so trying to get it done in single alignment process before the OKR cycle begins is destined to fail, leaving all the misalignment encoded in the OKRs.

Don't Use OKRs For Everything

Some leaders find OKRs so compelling they want to use them for everything. All work is defined in OKR form, and people say, "if it's not an OKR, it's not getting done".

But OKRs are just one of the tools you have available as a manager, and you should select the right tool for the job at hand.

For example, most sales teams have sales pipeline metrics and some form of incentive program. This works well in most cases, and there's no need to change it. If they introduce Sales OKRs as well, the OKRs either duplicate the incentive program which is at best redundant, at worst confusing; or they are different

²⁴ I know, Google does all of this (or at least, they used to – they've been iterating a lot since I was there). But if you speak to Googlers, you'll find that it's not always a helpful pattern. For your own business, focus on solving the problems you have, not doing what Google does. Google's approach works for them, but they have different problems and a different culture to you.

from the incentive program, in which case the sales team is going to follow the incentive program and largely ignore the OKR.

If you did set an OKR for a sales team to make a step change in how they operate (perhaps adding a new product, moving to solution selling, or adopting a new CRM and sales process), you should expect that to get a fraction of the effort compared to actual sales work – in fact, that is why the incentive scheme exists!

In general, for repeatable processes, data (metrics and anecdotes) are the right primary management tool, and large parts of your business should be repeatable processes. Many models exist for specific purposes, ranging from company-wide (eg Pirate Metrics²⁵) to function-specific models like marketing funnels, sales pipelines, service desk metrics, and so on. Select the right model and use it without feeling the need to duplicate it in OKR form.

For work that is less repeatable – activities like product development and launches, new market entry, creating step-changes in operational teams, and so on – OKRs are often the right primary management tool. OKRs define success, and hence the problems to be solved. This gives teams a guide to help them collaborate across functions and helps engage their creativity while maintaining alignment.

See Appendix C “Your Business is a Machine” on Page 72 for a mental model that can help you think about where to use OKRs, where to use data, and where to seek other tools.

As a summary, use OKRs for the most significant changes you need to make, where you know the desired result, but there’s some ambiguity on the best way to get them done, so you can engage your teams in creative yet aligned problem-solving.

Some Examples Where OKRs May Not Be The Best Tool

Operations

Most operational work is process-oriented and is best tracked with a regular metrics review (see “The Operational Link (WBR)” on page 52) covering the main 10-20 metrics over time, augmented with Customer Feedback to sanity-check and challenge the metrics. Aim for incremental improvements, responsiveness to problems and opportunities, and to build a shared mental model of the inputs that drive the desired outputs.

An OKR can be set where a step-change is required, for example, when you want to improve first response times dramatically, say from 2 days to 2 hours. However, most operations team time will be spent on the core operations that drive the metrics, not on the change.

Note that most of a business’s core activity can and should be seen as repeatable processes (operations), even if it’s not in a division called “Operations”.

²⁵ Pirate Metrics are so called because the acronym spells AARRR: Acquisition, Activation, Retention, Referral, Revenue. See <https://www.productplan.com/glossary/aarr-framework/>

Software Development Teams

Methods such as Scrum or Kanban are more suitable for managing the process of software development than OKRs. The overall OKR may represent what the software (plus other functions) is intended to achieve. Be careful not to duplicate user stories or features as OKRs – this doesn't add value.

User stories or features may also be prompted by other management tools, such as Metrics Reviews etc. Spend conscious effort to prioritise between responsiveness to metrics and strategic work from OKRs when selecting User stories, epics, features, etc.

Project Teams

Some work is well-defined and fits a project model better than anything else. Using traditional project management tools can help when there's relatively little problem-solving, creativity, or ambiguity, and the challenge is largely co-ordination, scheduling and resource allocation. As with Software Development, spend conscious effort to decide where to invest, and use project tools to deliver.

Some Examples Where OKRs Fit, But Should Be Used Differently

Functional Teams (HR, Legal, Finance, etc)

Functional teams often don't contribute directly to company OKRs or even Business As Usual, rather providing a service that enables the core business. It can be worthwhile to develop a functional strategy (see <https://hbr.org/2019/07/the-one-thing-you-need-to-know-about-managing-functions>) and set functional OKRs as if the function was an external service provider competing for the work by complementing the strategy of the company best.

Strategy, Innovation, and Customer Discovery

These areas have a lot of ambiguity not just about the best solution, but about the definition of success. You can use Hypothesis-based OKRs in some cases, but often it's best to manage these topics separately, recognising that half of the work is to define the success criteria, and that once you do, perhaps an OKR could be defined to implement the best solution.

Discuss: Which areas of your business could be managed better with other tools, rather than OKRs?

Don't use OKRs for Performance Management

It's tempting to set goals (OKRs or something else) for individuals, and then use the score on the goals as an objective measure of performance, removing the manager's subjectivity from the performance

assessment. For highly operational roles where success is easily measured and compared²⁶ this can work acceptably, but more ambiguous roles this just takes all that subjectivity and puts it into the goal-setting process at the start of the quarter where there is much less information to inform it.

To illustrate this, imagine if I set an individual goal²⁷ to swim 100m in 2 minutes.

I am a very casual swimmer, and this would be an insanely ambitious goal. If I managed to improve my time from 3 minutes to 2:30 during the quarter, that would be a massive achievement, and I should get a great performance assessment.

However, let's set the same goal for Michael Phelps, a former Olympic champion, in his prime, and he beat the goal comfortably at 1:30. Sounds like a great performance until you realise that his personal best is 47.51 seconds, so perhaps he shouldn't get a great performance assessment.

Arguably, I might have performed better with a less ambitious goal of 2:25 or even 2:40²⁸, while Michael Phelps may perform better with a more ambitious target of 47 seconds flat. Of course, you get better swimming results by hiring Michael Phelps than by hiring me, but that's a hiring issue, not a goal setting or performance assessment issue.

The goal does help understand performance by defining value (especially in a more ambiguous environment than the pool), but the target itself isn't a good measure of performance.

Instead, recognise the inherent subjectivity of assessing individual performance in these ambiguous roles, and invest in managers who develop a high-trust relationship with their reports and have enough context to make credible subjective assessments. Yes, this requires great managers, but great managers will deliver superior results, so you want great managers.

To reduce bias, introduce an objective set of expectations for each role and seniority level²⁹. Have managers first calibrate their expectations against the level definition, then compare each report to those expectations.

To summarise, set goals (from company OKRs down) to inspire performance, and then assess individual performance against a calibrated expectation rather than against the goal. And hire superstars if you can!

Don't Automate Metrics Collection

Literally every computer-literate person sees OKRs and wants to automate metrics collection so they can have a dashboard that shows them their OKR status in real time, get alerts when something goes wrong, and not have to "waste" their time collecting metrics.

There are two problems with this.

²⁶ I include most Sales roles in this – revenue is easily measured and compared.

²⁷ I do recommend some form of individual goals, though I recommend against using individual OKRs, or even mandating a particular individual goal approach - but it's your decision.

²⁸ I know myself well enough to know that 2:40 could have been a better first goal. I get energy from succeeding rather than striving to reach stretch goals. Know your self and your team, so you know how best to set your goals to maximise actual results.

²⁹ This is a complex process and requires a certain scale to work formally, though you can use the method informally at any scale.

Firstly, you'll be tempted to choose the metrics in your key results based on how easy it is to automate the data collection, and this temptation is very hard to overcome. Your OKRs will become limp and repetitive, they will not represent the best definition of the results you really want to create, and your team will begin to dismiss them as irrelevant – and now you'll have to come up with a different way to solve the problems you're using OKRs to solve.

Secondly, assessing and reviewing the key results will become a passive exercise, and you will do less thinking about what they really mean, whether the metrics are accurate, what has affected them, and what you should be doing to move them. The real purpose of OKRs is to focus your mental energy on these topics, and sometimes the act of manually collecting the metric when it's needed, and using proxies at other times, helps to engage your brain!

The reality is that you don't need to review the metrics in OKRs weekly, much less daily. Use the OKRs as a guide to help direct your attention to the things that will drive that metric towards the target, rather than tracking the actual number so closely. When you track it closely, you tend to get distracted by noise in the data (it's up only 0.5% this week, and that's not enough to meet our target – what's going on?!).

If you only find the metric at the beginning, halfway through, and at the end of the quarter, that can be enough, if in the intervening time you've been focused on finding the best ways to affect that metric.

Don't get me wrong, tracking metrics on a regular basis is a Good Thing, and you should be tracking the metrics that measure your work at least weekly (I recommend the Weekly Business Review method). But do this tracking to increase your understanding of the business, finding the leading indicators and controllable inputs, and responding to problems or opportunities you didn't anticipate in the OKR and planning process. Make this part of your daily operations and use it to inform your discussion about how best to achieve your OKRs, but don't replace that discussion with a metrics review!

Don't use OKR Software

Venture Capitalists have invested over \$US1bn in OKR Software Companies³⁰, and their investments seem to be paying off – growth in the OKR software market has been phenomenal, and revenue is estimated in the billions. These companies are spending their massive marketing budgets to convince *your company* that OKR Software is essential.

I disagree – companies should save their money instead and simplify their approach to OKRs, so they don't have the sorts of problems that make them feel like they need software.

OKR software is usually part of a misguided attempt to "automate management", which doesn't work well, unless your company thinks that managers are literally an overhead cost to be minimised (in which case, I recommend moving to a company with a better understanding of management).

³⁰ For example: 330M in Lattice, 160M in Quantive (gtmhub), 142M in Workboard, 130M in Betterworks, 94M in 15Five, 73M in Ally.io (acquired by Microsoft, and now known as Viva Goals) 60M in Leapsome, 11M in Profit.co, 11M in Workpath – that's over 1bn in just 9 companies, not to mention further investments in OKR-specific features from companies like Atlassian, Asana, and Monday.com.

Nobody should need to review the status of so many OKRs that it requires software to do so. If you need to track so many OKRs that you can't do so without software, then *that* is the problem you need to solve.

Besides, most OKR software is more of a bad imitation of a performance dashboard than anything else, and they do that badly because they confuse it with OKRs.

But if you're in a business where someone has insisted that everyone uses OKR software, don't fight it – it's not worth it. Treat it like any other overhead:

- Comply with the policy without complaint.
- Use the process to your advantage by triggering the real conversations you need.
- Then get on with the real work.

And if you disagree, and think your OKR software is helpful for you, that's great: keep using it, and don't change just because you read this. And please, drop me a line to tell me how it helps you – I'd love to learn what benefits you're getting and what problems you're solving.

Just be careful to avoid the temptation to automate management or being overly constrained by the functionality of the software. As a manager, you need to do the work of managing, not just be good at using some software.

Operating System Deep Dive

Now you know all about OKRs, we need to dig into how to use them. As you read this section, adapt and modify this framework to suit your own environment, building on top of the systems you already have in place.

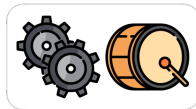
As a reminder, here's the OKR Operating System:



Planning Habit



Operational Link



Execution Cadence



Strategic Link



Transparency Habit

1. **The Planning Habit** – a goal without a plan is just a dream.
2. **The Operational Link (WBR)** – keep track of Business As Usual (BAU).
3. **The Execution Cadence** – make things happen every week.
4. **The Strategic Link** – make sure you're (still) doing the right things.
5. **The Transparency Habit** – create accountability and face reality.



13. The Planning Habit

An OKR (or any form of goal) without a plan is just a dream.

There are two common mistakes people make with planning:

Blueprint Plans: They write a detailed plan with every step and contingency covered. It's beautiful (if it's ever finished!), it's big, and it's useless. Nobody ever looks at it, and it never changes. The act of writing it probably helped clarify what to do, but no plan survives contact with reality, and this one is too big and too cherished to adapt to reality. So it goes into the round filing cabinet³¹ and the writer is demoralised.

Cowboy Plans: "We don't plan, we're Agile"³². Ask them for the plan, and they can list out what they intend to do, but it's never written down anywhere more permanent than a Slack message, and it's different every time, though they aren't aware of the changes because the old plan is forgotten already. Expectations are often missed, stakeholders are frustrated, and the team is often in limbo.

These both have the same root cause – a misunderstanding of what planning is for.

Planning has three purposes:

1. To be a **basis for change**, so you can assess the impact and trade-offs clearly before making a change.
2. To identify **risks and problems**, especially with dependencies or stakeholders who have expectations, so you can address them.
3. To generate **shared ownership** between teams, peers, managers, and stakeholders so there is a higher chance of success and more collaboration.

The key to doing this with a plan is to have a **One Page Plan**, written with the intent to be understood by a wide audience, gather their input, and integrate it with revisions. As those people contribute, they become co-owners of the plan, even if it's not for *their* team.

Discuss: How would this differ from what you're doing now? Would you re-use a lot of your existing planning and analysis work?

The One Page Plan

There are many approaches to planning, and if yours works well, use that. This is an approach I've found that works in most situations. If you want to experiment with it, but already have your own approach in action, there is no need to repeat work, just collect it together in this simple form to drive collaboration.

³¹ The bin, or "wastepaper basket" if you're from the other side of the Atlantic.

³² I know, experienced Agile practitioners don't say this, but it's a refrain I've heard time and again from people who have a superficial understanding of Agile and use it as an excuse not to plan.

Who should write a One Page Plan

Every team should be covered by a One Page Plan, and every owner should write a One Page Plan for the OKRs they own. Try to organize this logically according to your organizational structure and err on the side of fewer plans.

The simplest approach is that each member of the C-Suite would write a One Page Plan for their team and the OKRs they own. In larger organisations it can help to have another layer of plans, or to delegate some plans to the next level of leadership and have the relevant C-Suite members act more as reviewers, synthesizing across multiple plans to facilitate collaboration.

How to write a One Page Plan

Writing the document is relatively easy.

The harder part is the work you need to do to make the decisions about what goes into the plan.

There are many approaches, and I won't cover them here except to say that the work usually consists of analysing the problems, breaking them down to smaller pieces, prioritising them, estimating them and synthesizing back into a whole.

Once you know what needs to go into a plan, this method helps with aligning across multiple plans, and maintaining momentum as you go.

Objectives, Key Results and Business as Usual

Start by writing the Objectives and/or Key Results you're going to be addressing at the top of the page. Clearly mark those you own and note the owners of the others.

Also write the areas of Business As Usual you are responsible for – for example, a software team may include Production Software Support and Custom Integrations.

Planned Initiatives and Processes

Now write down the Initiatives³³ you plan to deliver the OKRs, and the Processes you run for Business As Usual. No need to include everything but try to account for the bulk of your resources and the major contributors to success in each OKR or area. Aim for a maximum of half a page for this section, so if there are 20 initiatives and processes, you have one line each. If it helps, tag each one with the OKR it supports.

Organise these in a logical fashion. Here are five options, but most important is to use a structure that makes sense to your readers. It may help to collect the Processes together at the top or bottom, keeping them separate from the Initiatives.

³³ You might call these self-contained one-off pieces of work projects, features, products, campaigns, or something else. I differentiate them from Processes because they have a defined start and end, while Processes tend to be ongoing.

1. **Structurally.** Organise initiatives by function, for example Marketing, Sales, Onboarding, etc, or by the component of business they affect (eg in eCommerce Software you might use Search, Checkout, Shopping Cart etc).
2. **By Category.** Organise them into logical buckets that have something important in common. For example, by customer segment or by geography.
3. **By Size.** Organise initiatives into large, medium and small projects (you can call them big rocks, stones and pebbles if you like).
4. **By Priority.** Organise your projects according to their impact and effort.
5. **Sequentially.** Put them in the sequence you've decided to do them in. For example, "First, ... Then ..."

The structure you choose to communicate your proposed solution will help you create a shared understanding with your peers. Ask yourself "What is the most natural structure here that everyone will understand?"

Resources and Dependencies

For each Initiative or Process (it can help to use a table and record this on the same line), record what resources you need to deliver them, including any other teams you depend on. Record this how it best makes sense in your domain – dedicated headcount, team names, person-weeks, etc.

Leave room for a **confidence assessment** for each Initiative or Process, and for each dependency. I use traffic lights – green means on track, yellow means we may need help, red means it won't be delivered with the current plans. You can fill these in from the start based on whether the dependency has included the required work in their plans and how credible you find their plans.

Optional Sections

At this point, you have the basic plan complete, and everything else is optional, but can help drive the right conversations – remember, the goal of the plan is to drive collaboration. Sometimes it's best to stop here and start reviewing with peers, teams, managers, and stakeholders, and then add further sections as needed based on those conversations.

Non-Plan Items. If you have many stakeholders expecting things from you, it can help to write down the things you are explicitly not going to do – and who is depending on them. Do this in the same form (with Resources etc) as you write your Initiatives and Processes, because as you negotiate, you may need to move some Items between Plan and Non-Plan.

Metrics and Milestones. If your Key Results are not sufficient to measure progress, note down any other ways you (and your team, managers, peers and stakeholders) can track progress. This might be a projection of how particular metrics will evolve over time (if not obvious or linear), or a set of milestones you plan to meet with dates.

Risks. If there are specific risks that it's worth drawing attention to, list them here. Don't be a lawyer about it, even if you are a lawyer. There's no need to list every risk, it's not a legal contract and this isn't

an ass-covering exercise. Just list the ones you want to draw attention to, where you or your stakeholders predict there may be problems and where you'd like a reminder to discuss regularly.

Hotly Debated Topics. As you review your plan with other people, you may find that there are topics that cause a lot of debate. The best way to deal with these is to acknowledge them and write them down in a way that the people who hold different opinions to you agree with. You don't have to change the plan based on their input if you don't want to (though maybe you should!), but it helps to represent their views, so they feel heard and not ignored, and are therefore more likely to be collaborators than detractors.

Golden Rule: Don't do all the work!

The plan is a plan, it's not the work.

Don't solve all the problems now. You have the whole OKR Cycle to do that. The plan is there to highlight the problems you know of so you can solve them during the OKR Cycle, and to help you identify more problems as you go. If you can solve a problem immediately or in a half hour meeting, don't wait - but if it's more complex, add "solving this problem" to the plan.

The Write-Review-Revise Loop

Now you've written a draft One Page Plan (and plans are **always** drafts – remember they are a basis for change, not a perfected blueprint), or even as you are in the process of writing it, review it with everyone involved or affected – your team, managers, peers, stakeholders, and dependencies.

Include and listen to reviewers from outside your function, especially if you are at executive level. This is an opportunity to learn from different perspectives, as well as to share your own and educate them on your area of responsibility. This, in turn, creates a stronger cross-functional collaboration than functional experts who stick within their area of expertise.

If you've kept it short, it will be easy to review, and your reviewers will be able to contribute meaningfully to improving it and aligning with their own plans. Take their feedback and revise the plans to account for it. Remember, you don't have to do everything they suggest, because you own the plan – but your goal is collaboration to get the best result, rather than proving your plan is correct!

Reviewers Guide

If you've been asked to review a One Page Plan, you're a co-owner of that plan.

Even if you're not an expert on the subject matter, your questions and suggestions are valuable. Here's a quick guide to common questions you can ask while reviewing, but don't restrict yourself:

- Why are we doing this?
- Is there a better way to do it?

- Have you considered this idea?³⁴
- Have you considered this impact?
- Have you considered this risk?
- What about that dependency?

If you read something you don't understand, it's your responsibility to understand it (which may involve having the owner explain it or rewrite it).

Dealing with Conflicts

If you disagree with something, it's your responsibility to make a case. You may need to involve other people to get to a resolution, especially if the issue is complex. These conflicts can be painful, but the purpose of the plan is to surface these conflicts while there is time to resolve them, rather than waiting until they are critical issues.

Use the OKRs as a guide for resolving conflicts.

Usually, they help prioritise and focus on what's important (that's their purpose after all!). If the OKRs conflict, or if they don't help, and if you can't resolve it directly, escalate to your manager(s), who may have more context and be able to guide or decide.

Once the issue resolved either way, it's your responsibility to work with the owner to make the plan as successful as it can be. Nothing is worse than a plan which fails because someone disagreed and wouldn't cooperate – better to commit in earnest and have the plan succeed or fail on its own merits.

Conflicts with Dependencies

In many cases, there will be a specific type of conflict around dependencies. A team can't deliver the work that some other team depends on as well as their other responsibilities with the resources they have available. The only approach to resolve this is to make trade-offs, and this is inherent to the work of management in any non-trivial organization.

There are three basic options, not all of which are possible in every situation:

1. **Redefine:** Change the scope or definition of the work in such a way as to get 80% of the value with 20% of the effort³⁵. This is more often fruitful than most people expect, but it does require an up-front investment of effort to find alternative approaches.
2. **Reprioritise:** Choose something else to drop to meet this dependency. Seeing all the major initiatives and processes on one plan helps do this in an informed manner. If the plan also includes the value

³⁴ Don't be afraid to share ideas from your own domain or experience. Often, problems have a lot in common across domains despite using different jargon and technologies, and sometimes this is where breakthrough innovations happen.

³⁵ The Pareto Principle usually applies when you look hard enough – and the numbers, while seemingly arbitrary, are surprisingly predictive. I have had situations where a feature was originally scoped at six months of work, and then after using this principle aggressively, we found an alternative approach to get most of the benefit with just two weeks of work. Of course, we missed out on certain other benefits, but those benefits were not worth the extra effort required to do it "properly".

each one is delivering and what depends on it, it's even easier to have this discussion and involve the right stakeholders.

3. **Reallocate:** This is like reprioritizing but involves allocating more resources (people) to the team from somewhere else in the organization so that more of this high priority work can get completed. This carries its own risks, as more people can make projects go slower rather than faster³⁶, and there's often delays or other impacts from the re-allocation.

If none of these are possible then the harsh reality must be faced up to. This dependency is not important enough to get done relative to the other things on the list. This can be a difficult conclusion to come to, but, assuming it is the right decision, the work put in to assess it was worthwhile, and you can now all agree to focus efforts elsewhere.

Discuss: How could you apply this in practice?

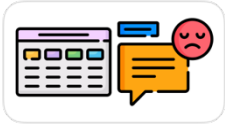
Ongoing Revisions in the Execution Cadence

During the quarter, use the plan as the basis for your discussions in the Execution Cadence.

Do this not just to keep you on track, but to re-assess dependencies and risks. As you review your plans together, you may uncover problems – a dependency has encountered an issue, a change of plans has been made that affects you, or perhaps something was harder (or easier!) than expected.

More on this in the “The Execution Cadence” section on page 57.

³⁶ Refer to Fred Brooks' 1975 essay “The Mythical Man Month” for a discussion of how this works in software projects.



14. The Operational Link (WBR)

The Operational Link, or Weekly Business Review, is a commonly underestimated and underutilised power tool in your management toolbox.

It is the one tool that helps improve decisions at any level the most, from strategic decisions about company direction, priorities, and OKRs, to tactical decisions about how best to solve specific problems or respond to operational issues. More than that, it helps break down silos and help teams make better decisions together, because it creates a shared mental model of the context and operations of the business across functions.

Sounds a bit magical, but Amazon has been doing this for 20 years, and it's increasingly adopted in other businesses with great results.

What is a Weekly Business Review (WBR)?

It's a weekly meeting where the leadership team and the relevant experts³⁷ review the key data from the business to address problems and respond to opportunities, to build a deep and shared mental model of how the business works cross functionally, and to inform other decisions.

It's important to do this weekly because it's the familiarity that makes it efficient and effective. Any less frequently, and you'll end up spending more time trying to remember what various metrics mean and what you discussed last time than making progress.

There are two inputs for this meeting – metrics and anecdotes.

Metrics should be chosen to cover the customer journey from end to end, the key delivery activities for the business operations, and the main drivers of the P&L. Start with a handful of the most important ones. Track the metrics in a spreadsheet³⁸ with weeks in columns and metrics on the rows.

Anecdotes are a necessary balance to metrics. Choose some customer service or sales feedback that reveals a potential problem each week. Do some preliminary investigation, such as extracting data from that customer's account, to ensure a well-informed discussion.

³⁷ Including the data expert who creates the spreadsheet for the WBR!

³⁸ I strongly recommend using a powerful spreadsheet tool such as Excel or Google Sheets for these metrics. The ability to rapidly slice and analyse data in different ways without getting distracted or constrained by nifty presentation features, and the ease of integrating almost any data source makes them the perfect tool for the job. Use multiple sheets if it helps keep the data organised. I have a free Google Sheets template you can copy and adapt: email me at richard@richardrussell.co.

What does a WBR Look Like?

A typical WBR may be a spreadsheet that looks like a bit like this (bear in mind the data is completely made up, and I haven't even set all the metric names here – it's an illustration rather than a live example):

D13	=if(isblank(D12),,D12/E12-1)														
1	Quarter	1	1	1	1	1	1	1	1	1	1	1	1	1	1
2	Week of Quarter	13	12	11	10	9	8	7	6	5	4	3	2	1	1
3	Week of Year	13	12	11	10	9	8	7	6	5	4	3	2	1	1
4	Friday	29/03/2024	22/03/2024	15/03/2024	08/03/2024	01/03/2024	23/02/2024	16/02/2024	09/02/2024	02/02/2024	26/01/2024	19/01/2024	12/01/2024	05/01/2024	
5															
6	Metric	Target/Range	Blue - fill in manually, grey - automated or calculated, pink - not collected or defined (include date if planned)												
7															
8	User Growth														
9	New Users		31	26	26	26	20	17	24	12	17	13	10	10	7
10	Total Users		239	208	182	156	130	110	93	69	57	40	27	17	7
11															
12	Daily Active Users		85	80	67	60	51	42	35	26	21	15	10	6	3
13	WoW Growth Rate		6.25%	19.40%	11.67%	17.65%	21.43%	20.00%	34.62%	23.81%	40.00%	50%	67%	100%	N/A
14															
15	Landing Page visits		2481	2476	2346	2280	2160	1950	1727	1705	1581	1453	1350	1286	1172
16	28 day average		2396	2316	2184	2029	1886	1741	1617	1522	1418	1315	N/A	N/A	N/A
17															
18	Engagement (mins per user)		19	20	21	23	24	26	28	28	27	26	30	30	29
19	Vs target		-2.73%	-7.65%	-8.02%	-3.23%	-7.90%	-6.37%	-1.86%	3.23%	3.87%	-12%	0%	2%	N/A
20															
21	Revenue														
22	Metric Name		4965	4959	4700	4564	4321	3908	3455	3413	3164	2906	2700	2581	2346
23	Analysis		47982	43017	38058	33358	28794	24473	20565	17110	13697	10533	7627	4927	2346
24															
25	Metric Name		18836	15716	13471	11930	10379	9142	7433	6318	5173	4172	2979	1822	822
26	Analysis		19.85%	16.67%	12.92%	14.94%	13.53%	22.99%	17.65%	22.13%	23.99%	40%	64%	122%	N/A
27															
28	Metric Name		251635	251081	238120	231540	219168	197952	175447	173281	160699	147904	137371	131027	119420
29	Analysis		243094	234977	221895	206027	191462	176845	164333	154814	144250	133931	N/A	N/A	N/A
30															
31	Metric Name		ETA: 15 June 2024												
32	Analysis		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

You'll notice that the columns are data by date, in reverse chronological order, so the most important data (this week's) comes first, and then you can see historical data.

In this case, I have separate quarters on different sheets, but many people consolidate a whole year onto one sheet, sometimes more.

In this sheet, I have some lines which are to be filled in manually (blue), and some which are calculated as analyses (grey – you can see the simple formula I've used for the Total Users calculation). And I have some which are pink because I don't have a measure yet – line 31 has a date, and some of the calculation lines such as line 16 have no moving average because I only just started collecting them.

If one was to get more sophisticated, much of this data could be collected automatically through extra sheets or interfaces with other systems. The power of Google Sheets and Microsoft Excel is that you can collect almost any sort of data, and analyse it easily.

Further, when one has an idea for improving the data, spreadsheet software is incredibly easy to modify, add a new metric, add a simple analysis, make a formula to compare seasonality, create a chart, etc.

FAQ: Isn't this the same as many OKR software programs?

Yes, it is remarkably similar, which is one of the reasons the OKR software programs aren't so good for the purpose of managing OKRs!

The WBR is intended to be an easy to modify tool that covers as many metrics as you need to understand, monitor, and manage your business's day-to-day operations. They are specifically used for keeping track of the weekly (or daily in some cases) changes in these metrics to enable managers to respond to changes and opportunities rapidly and develop a good intuition about what inputs drive which outputs.

OKRs are intended to guide decision-making, specifically about how to prioritise and allocate time and effort, and which initiatives and tasks should be done to deliver a small selection of key results. There's often no need to track the specific metric on a weekly basis, and the mental model that drove the selection of that specific metric for the key result is already developed (that's why you chose that key result!).

Regular use of a WBR will help you select the right metrics for Key Results, because you'll already have the mental model of which inputs drive which outputs.

Choosing the Metrics

A lot of what applies to choosing the metrics in OKRs applies to WBRs as well, but you can more easily iterate, and it's OK to have many more datapoints in a WBR than in your OKRs (after a few weeks, you'll realise which aren't useful and can delete them).

To collect the metrics, review your customer journey (for internal or external customers) and list out the main touchpoints, then define a metric or two for each one that represents value. Make sure to include parts of your customer journey before and after your own area of responsibility if you are a part of a larger operation, as well as anything that the customer themselves would use to assess value.

Now add in any metrics that define cost, profitability, risk, and quality, so you can track the most meaningful metrics.

Finally, go and review these metrics with stakeholders, peers, managers, and your team. See if this accurately represents the value from their perspective. There's no need to perfect it on the first try but do regularly go back and iterate to make small improvements as you learn. Over time, you'll also review the actual numbers with your stakeholders, which will help you align on how they measure the metrics that matter to them.

Some data, you won't be able to get perfectly initially, and that's OK. Mark them down as placeholders, and use an estimate, a proxy (eg "customer retention" rather than "customer happiness"), and optionally, mark down when you think you can get access to the ideal numbers (perhaps it involves writing a query, adding tracking to a webpage, or getting permission to use a particular set of numbers).

Running the WBR Meeting

Start with the Metrics

Start with the metrics and look for patterns and anomalies.

It's critical that everyone is engaged with all the data, not just the data from their own function, because this cross-functional attention can reveal unexpected insights or offer opportunity for knowledge-sharing.

If anyone finds something that doesn't make sense, perhaps an unexpected change, a correlation where they didn't expect it, or (more likely) a lack of a correlation where they expected one, dig deeper.

Digging deeper often requires little more than a discussion. But frequently it will require a change to how the data is collected, analysed, or presented. Use rolling averages, time comparisons³⁹, cumulative totals⁴⁰, targets or forecasts, and graphical tools like colour bar conditional formatting and charts or sparklines to help understand the numbers. To uncover patterns, segment⁴¹ metrics in various ways – by customer data like size, industry or geography, onboarding cohort, usage patterns or whatever else matters in your business.

Collect and prioritise the actions needed to build a more complete understanding of the business and improve the metrics to have a more informed discussion in future weeks.

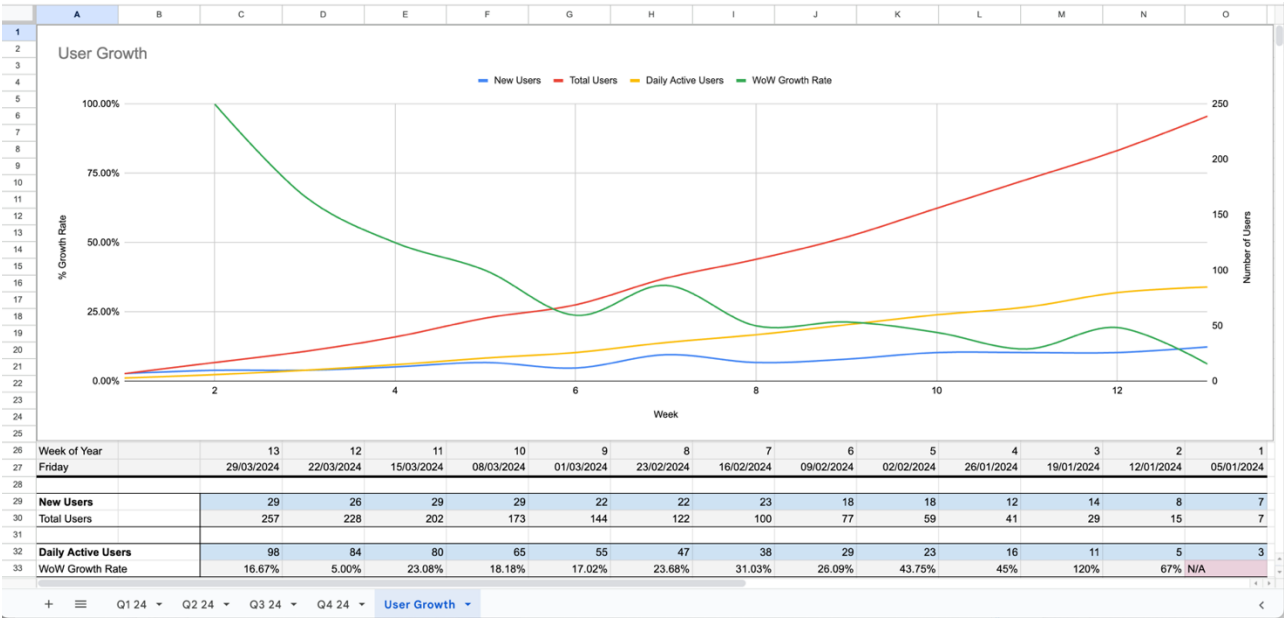
Sometimes a deep dive analysis or some experimentation is needed, and this can take some time and may affect other plans. Take an action to discuss this in the Execution Cadence meeting where you revise your One Page Plans.

An example Analysis Page

Some analyses may be a dedicated deep dive document, but sometimes you just need an extra chart.

Below is an example to help understand user growth over time.

The chart shows time going left to right, and you can see the relationship between some of the numbers visually, which can help readers spot trends, anomalies and even errors in data collection. In this case, the number of new users is higher than daily active users for the first two weeks (in this case, because the data is randomly generated!)



³⁹ For example, year on year (YoY or Y/Y), and same for quarter, month, and week. These help understand seasonality and growth trends.
⁴⁰ Year to date (YTD), etc. These are especially useful for comparing against targets or forecasts.
⁴¹ Pivot tables are your friend.

Now introduce the Anecdotes

The key insight to keep in mind regarding anecdotes is that while metrics don't lie, sometimes the way you collect or analyse them does. As Jeff Bezos says: "...when the anecdotes and the data disagree, the anecdotes are usually right. There's something wrong with the way you are measuring it."

Try to find out what happened that caused this customer anecdote. Try to understand if it's a one-off or indicative of a wider problem that simply isn't visible in the metrics. Is there a way you can measure or analyse data differently to reveal this problem in the metrics, so you can get ahead of this problem in the future?

For example, one client of mine was seeing increasing churn but couldn't understand the cause from the metrics. They looked at a client anecdote from one customer who had recently left, who complained about a specific, rarely used feature. They segmented churn by feature use and found that a large portion of the customers using this feature were churning. Further investigation revealed that those who were churning on this feature were mostly from the same, high-growth industry, where this feature was critical. The fix turned out to be quite simple but would never have been prioritised if it wasn't prompted by the anecdote.

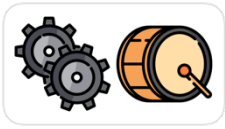
Identify Controllable Inputs and North Star Metrics

As you iterate on your WBR and it becomes a better representation of your business, you'll find that some of your initial assumptions about what drives your business (the controllable inputs) and what metrics you should be optimising for (the north star metrics) don't match reality.

Whenever one of these assumptions, implicit or explicit, turns out a little shaky, this is a sign you should dig deeper. Doing so and finding the right assumptions will help you crystallise your business model, inform your strategy, and help you set the next set of OKRs with much more confidence.

Discuss:

- Do you have a company-level WBR?
- Where should you be running lower-level WBRs to go deeper into your areas of responsibility?
- Should other people attend your WBRs (existing or new?)



15. The Execution Cadence

One of the most important jobs of a leader is to create momentum.

If you think of this in Newtonian terms, every organisation has a great deal of friction, and without conscious effort, motion turns into stagnation surprisingly rapidly. Leaders must constantly be initiating and guiding the application of this effort, removing sources of friction, and helping others do similarly.

The best way to do this is to set up a regular Execution Cadence where action is initiated. Usually this is with a weekly team meeting at the start of the week, which is then used to drive the agenda for the rest of the week, with action items, further meetings, alignment work, and problem-solving activities. There's no need to do all the work in the weekly meeting – like the plan, the meeting is to drive the work, not to do it all.

If you have a mechanism that works well for your organisation, keep doing that. You might find ideas here that can help, but what matters is that it works, not that you follow a prescription.

A Bit Too Often is Just Enough

My rule of thumb for how often to meet as a leadership team is that if you feel like it's just a little bit too frequent, it's probably only just frequent enough.

For most organisations, that's weekly. If someone misses a week or the meeting can't happen for some reason, it's only two weeks until you meet again, whereas if you have the meeting every two weeks, a missed meeting means a whole month goes by.

Having this meeting frequently creates urgency, and that is what you want. You want to make progress every single week, so initiate progress every single week. In the Scrum software development framework, this concept is called a Sprint⁴², though they take it further with short daily morning meetings called stand-ups to ensure that progress is made every single day. This may be excessive for your organisation, but it could be worth experimenting with.

Frequent meetings must be efficient.

That doesn't necessarily mean short, it means high value for time spent. In my experience, one hour is the bare minimum for a C-level team meeting, and many executive teams benefit from two to three hours (though you can break these up into separate meetings). Experiment and iterate to increase the value and efficiency of the meeting.

See "Kick-ass Meetings" on page 76 for some further tips – especially sharing updates asynchronously.

⁴² Sprint lengths vary, usually from one to four weeks, with shorter cycles recommended for projects with more risk and faster pace of change. Senior management is the magnet for all the risks in the company, and in a fast-moving environment, you're going to want a short Sprint.

Invite the Right People

This is such common advice for meetings I won't go into it in detail, but in general, it helps to have the senior leadership team responsible for this Set of OKRs⁴³ present, as well as owners of individual OKRs and the relevant One Page Plans.

Allocate one person to record action items and new meetings (the **AI-taker**⁴⁴). This is an important role, so do not neglect it. The person needs to be able to clarify the exact action or meeting, owner, and ideally date, and then follow up afterwards to make sure that person has it on their to-do list. Assess the skills and habits of the people attending and make sure to select someone who can do this well – or invite someone specifically to fill this role.

If there are topics that need to be discussed in private or with a more limited audience, set up a dedicated meeting for those topics. This meeting is about creating momentum, and as such, should ideally be non-confidential within your organisation. See "The Transparency Habit" on page 63 for more on this.

Setting the Agenda

Here's an example Agenda for a Weekly Execution Cadence meeting for an executive team:

1. Share Wins
2. Read Updates and Q&A
3. Operational Link (WBR)
4. Learning Capture
5. Review and Revise Plans

I cover 1, 2 and 4 in "Kick-ass Meetings" on page 76, and 3 in "The Operational Link (WBR)" on page 52, so we will address only Review and Revise Plans here with a few notes on what should be in the Updates.

If your Operational Link takes too long to do as part of this meeting, run it separately shortly before this meeting.

How To Write Updates

The updates should be brief – half a page maximum, ideally less. Nobody wants to read a bunch of multi-page essays. If you're doing verbal updates, it's harder to manage, but keep them brief.

Make sure everyone has access to your One Page Plan (tip: share a link to the latest version!), and state what progress was made on various initiatives, and any changes to the Plan you have made. If you have

⁴³ For example, if this meeting is about Company level OKRs, this would be the whole executive team, even if they aren't all OKR owners. If the meeting is about a lower-level set of OKRs, it could be a narrower group of people, but consider including key stakeholders as well as the owners.

⁴⁴ No, not referring to ChatGPT, I mean AI as in Action Item. There's no real need to take minutes or notes from the meeting usually, just record the actions. The purpose of the meeting isn't to take a record of the discussion (attendees can make their own notes if needed), but to generate actions, so this person is an AI-taker rather than a note-taker.

any update to the metrics in your Key Results, report them – hopefully they are in the Operational Link as well, but you want to draw attention to them here too.

If you have encountered any problems or uncovered any new risks, report them. If you've got concerns about a dependency based on something that happened this week, state that in the update (and make sure you've let the owner of that dependency know that you have concerns before they come to the meeting!). If these problems, risks, or concerns are already resolved, state the resolution as part of the update; if not, these are candidate discussion points when you review and revise the plans.

Review and Revise Plans

The core of this meeting is reviewing and revising the One Page Plans.

The participants should have full context from the Updates and Operational Link and can have informed discussions and make decisions about what needs to be changed. Refer to "The Write-Review-Revise Loop" on page 49 for a guide on how to drive this discussion productively.

The changes raised will fall into three categories:

- **Immediate actions** that can be taken with no further discussion. Record the action, the owner, and the expected completion date.
- Actions that require a **dedicated meeting**, perhaps with a deeper analysis to solve. Allocate an owner for the meeting and the analysis if needed and record exactly what decision needs to be made. As always, record the action, the owner and expected completion date.

If the right attendees are present, set up the meeting immediately. If not, record another action to set up the meeting with the right attendees.

- Decisions where the action in the short term is to **update the plan** and work through the impact on dependencies. Update the plan and work through the dependencies immediately if possible; if not, take an action to do so, possibly including a dedicated meeting as above. As always, record the action, the owner and expected completion date.

After the meeting, the AI-taker or meeting chair can share the actions with everyone, and the work for the week begins.

The following week, these actions should be shared again as part of the Updates.

Don't run an "OKR Check-In"

Resist making discussing the OKRs a part of the meeting agenda. If you do so, you risk running another tedious round-table update, or triggering off an ad-hoc re-planning discussion without referring to the One Page Plans already developed.

In practice, when you go through each One Page Plan, you're able to see the relevant OKRs, and you should be using them as a guide for decision-making rather than as a prompt for updates.

Discuss:

- How can existing meetings be adapted, replaced or augmented to run this Execution Cadence effectively?
- Do you need any dedicated Execution Cadence meetings in narrower areas? They can be cross-functional.



16. The Strategic Link

At least once per OKR Cycle, but up to monthly, you should dedicate some time to step out of the daily execution whirlwind and check in with your strategy. This should happen at executive level as well as at lower-level scopes.

These topics tend to be a bit too big to address in the weekly Execution Cadence, and you don't want to have these discussions every week⁴⁵. Explicitly dedicating time to them and prompting the questions makes sure you get to them frequently enough, and it allows you to capture these questions that could derail the Execution Cadence meetings and save them for this dedicated time.

Run a dedicated meeting, timeboxed to a few hours, in addition to your regular Execution Cadence meetings, to discuss three key questions.

Where will we get to?

Rise above the whirlwind and look at the progress you've made so far, the problems you're encountering and any problems that have occurred. Predict the likely outcome for each Key Result by the end of the OKR Cycle.

In some cases, there will be high confidence and general agreement. In others there will be low confidence or disagreement. Uncover the reasons for the doubts, even if you can't converge on a prediction.

Are we doing things right?

Now go up to flight level, and look at how far you're off track, and discuss if you need to change anything to improve the end result:

- **Priorities.** Are the most important things getting the right level of attention? Can you re-prioritise and get better results?
- **Initiatives.** Are there initiatives that are being worked on that could be stopped, or ideas that should be started?
- **Resources.** Can you re-allocate resources to the highest priority work?
- **OKRs.** Are the OKRs you have still valid? Should any Key Results be modified to be either more or less ambitious? Should any be dropped to allow more focus on others?

For any change, you should also discuss when to make the change. Some are easy to make immediately and incur little cost. But others require significant change management or incur large costs and they may require substantial planning. It's a judgement call whether to implement these changes immediately or wait for the next OKR Cycle.

⁴⁵ Though if a major issue comes up that prompts an urgent discussion, don't wait for a planned Strategy Link meeting. For example, in early March of 2020, many organisations had an unplanned discussion of these topics prompted by the pandemic.

A specific example is changing the OKRs in the middle of an OKR Cycle. There's nothing that prevents you from doing so if it's needed, but bear in mind that all change has a cost – not inherent to OKRs as a framework, but fundamental to the nature of change.

If you move the goalposts you have set, you need to communicate this carefully, often with some work going into change management, and you cause ripple effects as people adjust their priorities accordingly. If you move them too frequently, people start to ignore the goalposts.

Are we doing the right things?

Now step aboard the International Space Station in low earth orbit, and ask is your strategy still correct, and what's next?

Have we learned anything that may cause us to question some part of it, or need to change it? Has the market changed enough to warrant us to change in response? What do we need to do before we are confident to write our OKRs for next quarter?

This discussion is important, but it is not (usually) urgent. You don't need to resolve everything in this meeting.

The desired outcome is rather a set of next steps that will get you to enough clarity about your strategy by the beginning of the next OKR cycle that you can set the right OKRs confidently. These steps usually include further meetings, deep dive analyses, and discovery and experimentation work to test ideas.⁴⁶

Discuss: How and when can you best link your Execution with Strategy? What approach do you have in place to do this already? Which parts of company strategy should be delegated? Is there a strategy at any lower-level scope? Should there be? How does it relate to the Company strategy?

⁴⁶ How to do this is part of strategy development and is outside the scope of this document.



17. The Transparency Habit

Throughout the OKR Cycle, there are opportunities for leaders to use The Transparency Habit to create natural accountability.

Publicly presenting not just the OKRs, but the results delivered builds trust and increases engagement. It also provides additional opportunities for context sharing and coaching that increase the capability of the team for further delegation of responsibility.

The OKR Cycle Kick-off and Wrap

The most critical event for Transparency is the kick-off and wrap, usually run in an All-Hands meeting at company level.

I recommend breaking this into three sections as follows:

1. **Accountability Wrap.** Owners present the results of the Company OKRs they own, and then senior leaders present a summary of key operating metrics from the Operating Review. The presenters give credit for wins while owning failures and sharing the learnings gained as they go⁴⁷.
2. **Strategy Presentation.** Senior leaders, ideally the CEO, present their current views on the business model, market context, and strategy. This is an opportunity to educate people about the business and coach them as a group on how decisions should be made, and plenty of Q&A should be encouraged.
3. **Kick-off.** Senior leaders and owners then present the OKRs and highlights of the Plans for this OKR Cycle and take open Q&A from the audience.

Tips for an Effective All-Hands

Share actual results, not abstract scores. If the key result is a metric, share the metric. If it's a milestone, say whether it was attained or not. Keep this as simple as possible – introducing complex scoring schemes confuses people.

No need for performance reviews or bonuses to be driven from OKR attainment – that clouds the issue and prompts people to push back against ambitious OKRs. Setting an ambitious OKR and missing it but learning a lot is cause for celebration, not castigation.

Avoid Extended Post-Mortems. The worst thing to do in an event like this is to spend too long on the misses. Acknowledge them, own them, share the learnings, and move on. Resist any temptation to defend poor performance or, worse, blame someone, some team, or some external factor for it. Simply state what happened and what the organisation can learn from it. This is not a performance review, and you are not being assessed as a presenter. You are presenting the results of the work the *audience* has done, and your goal is to leave them feeling appreciated, motivated, and confident to tackle the next OKR Cycle.

⁴⁷ Setting an ambitious OKR and missing it but learning in the process is cause for celebration, not castigation.

Focus on the Future. Invest an appropriate amount of time in celebrating achievements and sharing learnings but keep the backwards-looking part to a minority of the time spent. Most of your time should be on current realities, educating and coaching people, and getting them focused on the next steps. The past is gone, the present is reality, and the future is what we are here to create.

Present the Highlights only. There's no need for completeness. Some OKRs, some wins and some failures and learnings, some plans, some wins and some failures and learnings are more important than others. In many ways, this is a meeting which needs to entertain and engage people as much as it does inform them, so be selective and don't bore people with too many details, especially when presenting plans.

Pre-brief Managers. Following such a meeting, many employees will be asking their managers lots of questions in their own team meetings and 1:1s. It is essential to pre-brief managers on the content and let them ask questions first, so they can be well-prepared to answer the questions they are asked. In larger organisations this may require multiple pre-briefs.

Discuss: How does this relate to current practices?

Scale It Down for Lower-level OKRs

This same approach can be adapted less formally or even via emails for smaller scopes such as cross-functional product teams. The same principles apply, but the audience is smaller, probably has more context, and may be interested in more details. As the scope is narrower, you can focus the presentation on the most relevant details and metrics. Rather than sharing the company strategy, you share how the team's work relates to the broader strategy.

To increase the impact of this scope of meeting, invite key stakeholders. This amplifies the effects of the accountability wrap, especially when credit is given for the wins. These stakeholders can also be exceptionally valuable in helping with the strategy presentation and kick-off, because they are effectively customers of the work that is being done.

Discuss: Should you do this in your own scope and area of responsibility?

Be Transparent By Default

The open all-hands is a great start, but you can get more value from the Transparency Habit by moving towards being transparent by default. Most of the information presented and discussed or written down in any part of the OKR Operating System can be shared with interested parties, and benefits will accrue. Depending on your organisation and people, you may need to do this progressively to avoid overwhelming people with information they aren't ready for, but keep questioning what you can share and how best to share it.

The more people understand and are familiar with the plans, not only of their own teams, but of the teams they work with as stakeholders or dependencies, the better the collaboration can be. The more they know about the operational metrics in the WBR, the better they will understand the context that the company operates in, and hence the strategy and OKRs being set. And all this transparency creates many opportunities for coaching and mentoring.

The more transparency, the more people will understand about the company and context. Their questions will become more insightful, their input will become more relevant, and they will develop further ability to take on more responsibility – and be ready for yet more transparency.

Discuss: Where can you be more transparent? What are the risks? How will you manage them?

Sidebar: Relationships Matter

This is a slight diversion, but it's an important one.

There is a failure mode common among ambitious leaders where they do everything "right" and yet rub everyone the wrong way. Frequently, this results in burning teams out, conflict with peers, and being tolerated by management only because they get great results. In some more toxic cultures, it may get you promotion, but that's not actually a good thing. In the best companies, you'll be challenged, coached, and if you can't fix this, you'll be leaving the company.

While getting the right results is important, remember that the relationships you have with your colleagues are important for your long-term success, as well as theirs, and of course, for the company.

Especially when dealing with conflicts it can seem important to "win" a given point in the short term. But earning the trust of your colleagues by treating them well even when there is a difference, will pay off handsomely.

This doesn't mean you should be meek or submissive. Rather:

- **Listen first**, and ensure you understand them before speaking your own mind. People trust people who understand them.
- **Meet commitments** and manage expectations when you can't. There's nothing that erodes trust like making a commitment and then not meeting it without warning.
- **Own mistakes** and be open about weaknesses. Humility goes a long way.
- **Assume good intentions** on their part. They mean well, and the conflict is most likely because of misaligned goals or differing assumptions.
- **Disagree and Commit** – that is, be open when you disagree about something, but commit fully to the decision once it has been made, as if you had made it yourself. It's your responsibility to understand and internalise the decision-making processes of the company.

Remember, you're on a single team working together, not teams fighting against each other.

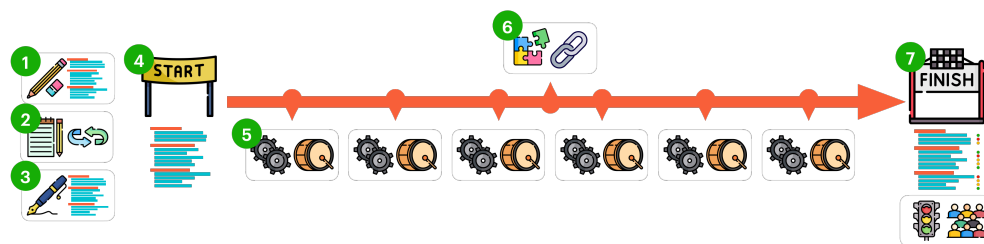
Discuss: Is this a challenge in your organisation?

If it is, it will require attention, because the OKR approach requires direct and forthright conversations which depend on good relationships and particularly on trust and psychological safety. Build this in tandem with deploying OKRs.

Appendices

A. Quarterly Calendar Suggestion

Visual Process Overview



Legend:

1. Draft OKRs
2. Draft and Review Plans
3. Finalise OKRs
4. Kick-off Quarter at All-hands
5. Weekly Execution Cadence
6. Mid-Quarter Review
7. Wrap-up Quarter at All-hands

Detailed Quarter Overlap



Notes:

- The insights from the mid-quarter review inform the following quarter's OKR-setting process.
- Additional time may be needed to gather information, do further analysis, or adjust strategy between mid-quarter review and OKR-setting process
- Combine the Quarter Wrap-up for current quarter and Quarter Kick-off for following quarter into a single all-hands event

Suggested Quarter Schedule

8. Week of quarter										Notes:	
9. 1	10. 2	11. 3	12. 4	13. 5	14. 6	15. 7	16. 8	17. 9	18. 10	19.	
All-hands						Mid-Quarter Review	Draft OKRs				

- Adapt dates to the needs of the calendar, for example around vacations, major corporate events, and pragmatic considerations driven by the work – the calendar should serve the business.
- Aim to maintain a consistent all-hands schedule to create a sense of rhythm in the organisation.

Scheduling Notes

Once the quarter is kicked off, reality sets in and problems need solving, so the five week period between the all-hands and mid-quarter review is often used for ironing out dependencies and making plans more concrete.

It is also a good period to do longer term work such as performance reviews, organisational planning, and major strategic reviews. I recommend setting an annual calendar to ensure sufficient attention is placed on these topics, scheduled mostly in this period each quarter.

The mid-quarter review often raises significant questions that need resolving before the next quarter, ranging from course-corrections and resource re-allocations up to major strategic decisions to address emerging threats and opportunities.

The three week period between the mid-quarter review and drafting the next OKRs is often quite busy as you implement the changes decided in the mid-quarter review and prepare for the following quarter.

B. Suggested Meeting Agendas

These are suggested meeting agendas suitable for most companies. Use this as a reference and adapt to your own needs. I've found these

All-Hands (1 hour, everyone)

- **Quarter Wrap-up (10 mins)**
 - OKR Owners present results (use actual metrics in KR's, not percentages – can score with Green/Yellow/Red for success, partial, and fail)
 - Tips: own failures, share learnings and any changes made to improve, and give public credit for wins to key contributors and teams.
- **Strategy Presentation (20 mins)**
 - CEO presents business performance (eg key drivers for quarterly results)
 - CEO presents updated strategy (or re-presents same strategy)
 - Market conditions and company status update
 - The key challenge we're facing (internal or external)
 - Our unique approach to addressing that challenge
 - What we need to do in the coming 12-18 months
- **Quarter Kick-off (10 mins)**
 - OKR Owners present:
 - New OKRs, explaining the metric definitions where needed
 - Key points of plans (especially anything that requires broad understanding)
 - Any other changes to organisational, Business As Usual processes, responsibilities, etc
- **Open Q&A (20 mins)**
 - The goal of Q&A is to make people feel heard so they engage.
 - Request some managers to ask a question or two at the start to break the ice.

Notes:

- Pre-brief all managers on all content and answer their questions in advance of the all-hands. This is often best done as a complete dry run with that smaller audience. Offering them this early information and getting their feedback ahead of time is key to tuning the presentation, enlisting their support and ensuring they are ready to answer their own teams' questions later in 1-1s and team meetings.
- No need to be complete or to spend time proportional to team size or even revenue impact. Get strategic about which highlights to present to ensure engagement and drive the right responses – the purpose is to close the quarter and get focus on the future, so spend more time on the future than the past.

Mid-Quarter Review (2-3 hours, leadership)

- **Where will we get to by end of quarter?**
 - Are we on track?
 - What is our predicted outcome?
 - What is our confidence level?
- **Are we doing things right?**
 - Do we need to change priorities, initiatives, resources, current OKRs?
 - Should we change this now, or for next quarter?
- **Are we doing the right things?**
 - Is our strategy still valid?
 - Do we need more information, further analysis, or to revise strategy?
 - Are we ready to set OKRs for next quarter, and what do we need to do to be ready?

Notes:

- Your outcome from this meeting should be actions to take to improve the current quarter's trajectory and set up for the next quarter.
- It's essential to do this half way through the current quarter so you have time to act before you're starting the next quarter and avoid a mad scramble at the end.
- Some organisations do this twice per quarter, as a Monthly Business Review.

OKR Setting Process (2-3 weeks, leadership + working groups)

- **Draft Objectives (1-2 hours, Leadership)**
 - Given our strategy, what are the top 1-3 things we need to achieve this quarter?
 - For each one:
 - Draft it as an Objective (<verb> <outcome>).
 - Write down the "Why?" and "Why Now?" to set context.
 - Brainstorm what guidance for Key Results – Metrics, Milestones, etc.
 - Decide who should be in the Working Group.
- **Draft Key Results (2-3 hours per Objective, Working Groups)**
 - Review the strategy, objective, why, why now and any guidance.
 - Brainstorm Metrics and Milestones.
 - Draft Key Results (use X and Y for targets) based on these metrics and milestones.
 - Decide who needs to write the plan(s).
- **Draft and Review Plans (1 week, Working Groups, teams)**
 - Draft the One Page Plan(s).
 - Review with peers, collaborators, and managers.
 - Iterate to align on resources, priorities, and dependencies.
 - Resolve major conflicts and contradictions.
 - Finalise Key Results, fill in X's and Y's, and clarify definitions of Metrics.
- **Review Plans and Finalise Key Results (1-2 hours, Leadership)**
 - Review the OKRs against the strategy.
 - Review the plans and resource allocations for credibility and cohesion.
 - Make final edits or suggested changes and finalise the OKRs ready for all-hands.

Notes:

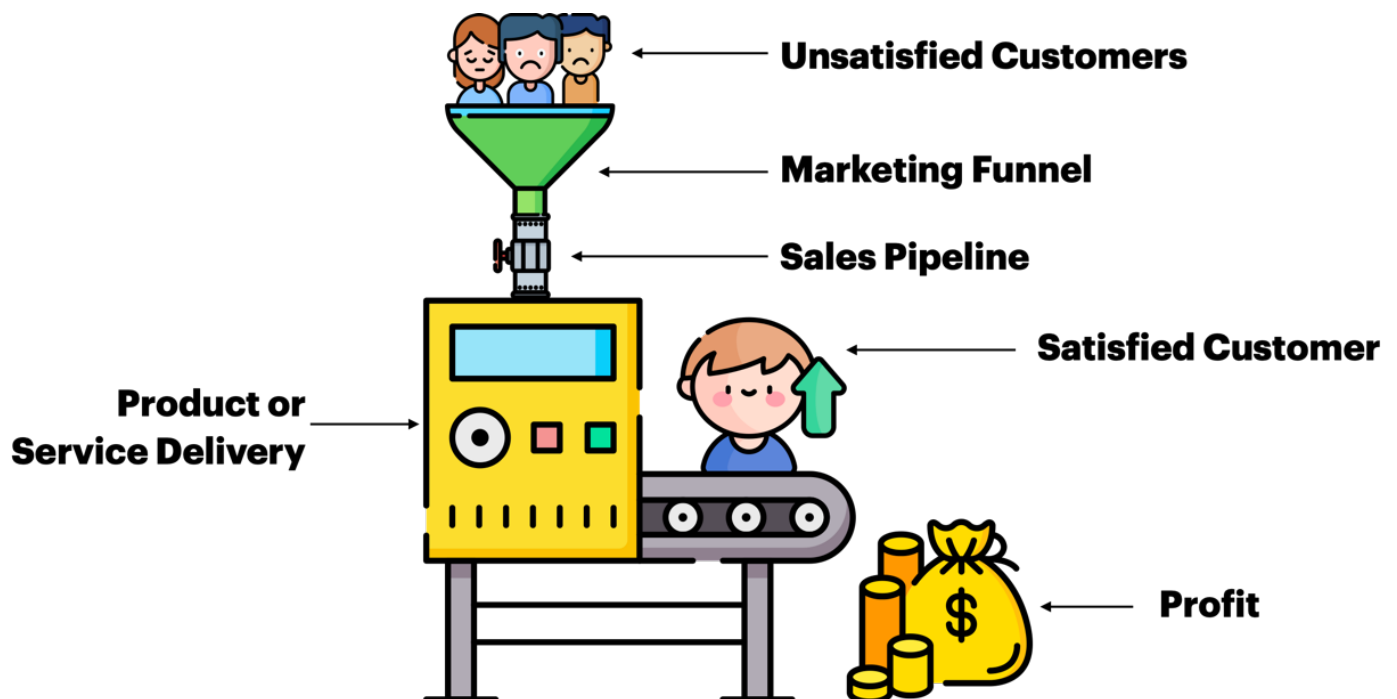
- Decide on your planning configuration. Options include:
 - Plan per Objective
 - Plan per Key Result
 - Plan per Product, Function or Team
 - A plan per Objective and sub-plans per product, function, or team
- There is no single right way, and it depends on the specifics of your organisation and strategy. Err on the side of simpler first, before implementing sub-plans).
- Make sure plans account for business as usual work such as regular processes, allocation for bug-fixing and problem-solving, "keep the lights on" work, and ad-hoc analyses that will be necessary

C. Your Business is a Machine

This appendix shares an analogy I've found very helpful.

Note that I'm not saying your employees are the machine or are part of the machine – they are humans who work on, in, or with the machine which is your business. Treating your people as part of the machine is a recipe for bad management so common it has its own name – Taylorism.

Think of your business like a machine that takes in unsatisfied customers through a marketing funnel and sales pipeline, delivers your product or service to them, and produces satisfied customers and (hopefully!) profit.



Everything useful that happens in your business fits into one of five categories:

1. Running the machine.
2. Changing (or building) the machine.
3. Designing the machine.
4. Staffing (the people who are running, changing, and designing) the machine.
5. Funding (the resources for running, changing, designing, and staffing) the machine.

Most teams, functions, and managers straddle multiple categories, though usually have a particular emphasis on one or two.

Over the lifecycle of a business, the emphasis also changes. Startups begin with funding initial staff (sweat equity), do some design work, then use the build-measure-learn until there's something to run and scale. On the other end of the spectrum, many end-of-life legacy companies do very little designing and changing, require little funding, and put little effort into staffing, focusing entirely on running their established cash-cow machine until the market moves on and makes it redundant.

Let's break down these categories.

1. Running the Machine

Running the machine includes most of functions like marketing, sales, customer service, delivery, operations, and finance. A lot of this is known, repeatable, process-driven, and measurable, and hence these core functions are best managed by data (both metrics and customer feedback). For example, sales has a pipeline and an incentive program, marketing has a funnel, customer service have tickets, and finance has a set of books including various statements and reports.

Running the machine is the point of your business, and all change is about improving how the machine runs. Use the Operational Link to ensure you're keeping track of how the machine is running.

2. Changing the Machine

Change happens across all functions (even the highly operational ones), but tends to be concentrated in leadership roles, as well as in functions like product, engineering, and marketing⁴⁸. Selling new products tends to fit into this category as well, while selling existing products is more like running the machine. Change work tends to be ambiguous, non-repeatable, without processes (it is often *developing* those processes) and is hard to measure.

Most change is best managed with OKRs, defining the outcomes we want to achieve rather than the actions to take. When you write a plan and run your execution cadence, you're integrating the work of running and changing that you are responsible for.

3. Designing the Machine

Designing the machine covers everything from strategy to customer discovery and product design from the high-level product vision to the detailed mock-ups and architecture. It's substantially more ambiguous than changing the machine and has its own set of tools which are mostly out of scope of this document.

However, generally design (or strategy) is a required **input** for defining the OKRs that drive change. Further, the running and changing work that is ongoing is required input for the design process. That is, it's only by understanding how the business is interacting with its customers, how the machine is operating, and how change work is proceeding that a winning strategy can be developed.

⁴⁸ Yes, Marketing has a large running component (delivering MQLs to sales and even a lot of brand work), but they tend to be involved in a lot of product development and strategic activities too.

That is, writing the strategy and OKRs, and building the operational link (WBR) is part of designing the machine.

4. Staffing the Machine

Again, the staff aren't the machine. I'm not advocating a return to Taylorism where employees are treated as machines. The staff run, build, and design the machine, and for them to do any of this well, you need to attract, retain, develop, promote, and reward them as human beings. This means engaging and empowering them as fully as you can, while giving enough context, direction and coaching for them to be able to succeed and collaborate across functions meaningfully.

Most of the staffing topic is out of scope for this document, but as you develop your OKR Operating System, maintain this intention clear in your mind, because it's the lever upon which the rest depends.

5. Funding the Machine

All this running, building, designing, and staffing requires a lot of resources, which must be funded from free cash flow, equity investment or debt. Further, resources need to be allocated to the right activities, and this resource allocation happens at multiple scopes from company level right down to the individual prioritizing their work.

Doing resource allocation effectively at all levels requires that the people making these decisions are well-informed about at least the parts of the machine they are responsible for running, building, and designing. For example, to decide how much to invest in running vs building, the C-Team needs to deeply understand how the machine is running now, how the changes are proceeding, what the design for the future is, and how this will affect the running of the machine.

Machines within Machines

Many functions can themselves be seen as machines within (or around) the business machine.

For example, in this model, software development fits into the category of changing the machine. In addition, software developers often support their software in production – which is running the machine. And of course, there is design work going on at all levels from architecture to feature coding.

However, software development also has its own processes such as Scrum or SAFe. These can be seen as a machine separate to the business machine with its own run, build, and design components. For example, a team might design a continuous integration development model, build a CI server that changes their process, and then run that process each week. The purpose of that machine is to enable them to get their code into production faster and more reliably – that is, to design, change and run the business machine more efficiently.

Much of what is written here can apply equally well to the software development machine as to the business machine. An engineering leader could set OKRs for the changes they want to make to the

software development process, for example. However, these OKRs (and all the activity on the software development machine itself) must be considered less important than the work on the machine of the business.

Similar abstractions can apply to other functions, such as Recruiting pipelines, HR processes, and Finance procedures, but the point here is to be conscious of which machine we are talking about running, changing, and designing. It's a common management error to focus on the machine within the machine at the expense of the overall business machine.

D. Kick-ass Meetings

We've all been in soul-destroying meetings. Regular meetings, and especially regular team meetings seem to be the worst. A round-table of updates from people who are trying to demonstrate their hard work to everyone else and blah blah blah, wake me up when it's my turn.

Apart from the usual advice about having a clear agenda and purpose, the right attendees, and ending with actions sent out by email, here's five tips to have kick-ass meetings:

1. **Start with wins.** Ask people to share their recent wins at the start and celebrate each one appropriately⁴⁹. Write them down on a **wins list** so you can share them in other forums as appropriate (blowing your team's trumpet is always a good thing to do, and you need material) and refer to them for performance assessments.

Doing this at the start creates a morale boost and generates momentum. If further wins come up during the meeting, call them out and celebrate them too, then add them to the wins list.

2. **Capture Learnings.** Share learnings like you share the wins. Discuss how best to capture them and integrate the learning into your work for the future. If there are any failures, acknowledge them and extract learnings from them so you can all benefit from the failures. For some topics, this may require a dedicated meeting to work through.

Sharing these learnings widely could feel confronting, especially if the learning came from a failure, but the reality is that everyone is talking about it anyway, so you may as well own it and turn it into a positive.

The effort pays off in ongoing improvement as well as in creating value from every failure, meaning people are more willing to face up to their mistakes, and you have a chance to correct them before it's too late.

3. **Share Updates Asynchronously.** Don't waste time on round-table updates. Have everyone write theirs down (including follow-ups on any action items from last meeting) and share them in advance using email, paper, Slack, or your preferred tool. Allocate time in the meeting for reading and Q&A, so the updates are fresh in everyone's mind for the discussion.

Reading in advance sounds better in theory, but there's always someone who can't allocate the time to read themselves, and then the meeting pauses while they are brought up to speed, or you continue with an uninformed discussion. Allocating time in the meeting ensures everyone *actually* reads them and can engage in informed discussion. And besides, there's always someone writing their updates last minute.

4. **Share Information in Writing.** Other information that can be shared asynchronously or in written form should be. If it's information that you need to make decisions and create actions in the meeting,

⁴⁹ What is appropriate will vary by the size of the win and the culture of the team and individual people involved. Respect the introverts in your team, but it's better to err on the side of being over-enthusiastic, but don't overdo it.

allocate time to read in the meeting itself. Updates are one simple example of this, but there's often background information required for an informed discussion about a specific topic, and the same advice applies.

5. **Prepare Complex Topics in Advance.** There are often difficult decisions that require team members to go deep on a topic. To make sure they get the informed discussion they deserve, allocate someone to write a discussion paper on the topic collecting the most relevant information, making a recommendation, and capturing alternatives.

Refer to Barbara Minto's excellent book "The Pyramid Principle" for how to write such a paper effectively.

The first two items are about developing people. Each is a mechanism for boosting confidence and morale, turning failures into successes, improving skills, and creating opportunities for coaching. Use them liberally and watch your team grow.

Three of these items involve writing things down to use in the meeting.

The effort required to write rather than speaking off-the-cuff is not always trivial. However, the work of synthesising the information and communicating it clearly and succinctly in a way that stands alone without additional explanation is a great investment in increasing the value of the meeting. It's far easier for people to consume and process complex information when it's written than when it's presented or spoken, and they are less likely to be influenced by charisma or hand-waving explanations.

Further, once written, these documents and updates can be re-used in other forms, perhaps as a basis for informing non-attendees, or as input for further decisions. If you take this advice to heart, the documents produced are often worth collecting in one place and made searchable⁵⁰.

⁵⁰ With the recent proliferation of natural language AI processing, one can imagine a world in the not-too-distant future where such documents are uploaded to an AI management assistant, and even linked to a generative AI system – but I'll leave the futurism speculation there!
<https://richardrussell.co> *The OKR Operating System* *Richard Russell*

E. One Page Plan Template

Use this template as a guide for how to build your own One Page plan. Adapt it for your own needs (it's not intended to be prescriptive), and format it however works best for you, erring on the side of editability, because you want it to be easily changed!

For a guide on how to write, refer to "The Planning Habit" on page 46, and for an example, see the next page.

Title

Use a descriptive title that communicates the scope of your Plan – eg "Product Team Q3 2024 Plan".

Responsibilities

Format text so a reader can easily understand what is covered and what is not and where the problems are.⁵¹ Use an appropriate numbering scheme to consistently identify responsibilities across the business (not just in this document).

Objective	Key Result	Owner	Support
1. An Objective that this plan supports			
	2. Key result we are leading	Owner	Owned
	3. Key result we are leading	Owner	Owned
	4. Key result we are supporting	Owner from another team	Supported
	5. Key result that isn't relevant to us	Owner from another team	N/A
2. Another Objective that this plan supports			
	3. Key result we are supporting	Owner from another team	Supported
	4. Key result that we can't support	Owner from another team	Not Supported
	5. Key result that isn't relevant to us	Owner from another team	N/A

If it helps to define Business As Usual areas here to add clarity, list them, if not, omit.

Business As Usual	Status
1. Area we are responsible for	Owned
2. Another area we are responsible for	Owned
3. An area we can't support	Not Supported

Plan

Use a list or table, whichever works best for your context. Make your structure clear and use a suitable numbering system to identify lines and aid conversations – add an explanatory note if needed.

Initiative	Sub-Initiative	Resources and Dependencies	Risk
------------	----------------	----------------------------	------

2. Initiative Title⁵²: Stakeholder⁵³ and/or OKR Short description ⁵⁴		X units⁵⁵	High
	1. Short description of dependency ⁵⁶	Team Name (X units)	Low
	2. Short description of dependency	Team Name (X units)	Low
	3. Short description of dependency	Team Name (X units)	Medium
	4. Short description of dependency	Team Name (X units)	High
3. Initiative Title: Stakeholder and/or OKR Short description		X units	Low
4. Initiative Title: Stakeholder and/or OKR Short description		X units	Low
	1. Short description of dependency	Team Name (X units)	Low
	2. Short description of dependency	Team Name (X units)	Low
5. Process Title: Stakeholder and/or Business As Usual Short description		X units	Low

Optional Sections

Non-Plan

No need for dependencies or risk columns. Alternative approach – add to Plan table, clearly marked.

Initiative	Resources
6. Initiative Title: Stakeholder and/or OKR Short description	X units
7. Process Title: Stakeholder and/or Business As Usual Short description	X units

Metrics and Milestones

Alternatively integrate into Plan section above – this applies to all of the below sections, which may make more sense as a single table (though it can get complex!).

However you organise these sections, only list metrics and milestones where they will help conversations and tracking progress.

3. Initiative Title

- Metric 1: Note about how it should evolve (Increase linearly from X at beginning to Y at end)
- Metric 2: Increase in steps by months
- Metric 3: No change until end measurement
- Metric 4: Quality measure – should remain consistent

4. Initiative Title

- Milestone 1: Estimated Date
- Milestone 2: Estimated Date
- Milestone 3: Estimated Date

5. Process Title

- KPI⁵⁷ 1

⁵² Give the initiative a title – aim for fewer than 5 words.

⁵³ List the main stakeholder that the initiative is being done for, if applicable.

⁵⁴ Aim for a one-line description if possible. A few lines may fit if needed. If more, put it into an Appendix and refer to it.

⁵⁵ Use whatever measure makes most sense for your team or the dependent teams – for eg person-weeks, FTEs, etc. The intention of the top line is how much resources from the team

⁵⁶ Use the same dependency title as the dependent team uses in their document

⁵⁷ Key Performance Indicators (KPIs) are just selected Metrics that seem Key to Performance. All I'm suggesting here is that you record how you'll track the health of your process

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- KPI 2

Risks

1. Initiative Title

- Risk 1
- Risk 2

2. Process Title

- Risk 1

Hotly Debated Topics

Make sure you clearly refer to the relevant OKR, Business As Usual, Initiative, or Process.

Topic: Explanation

1. Option 1: Explanation

- Reasons as given by Proponents
- Concerns as given by Detractors

2. Option 2: Explanation

- Reasons as given by Proponents
- Concerns as given by Detractors

Our Decision: What you chose and why.

F. Example⁵⁸ Plan - Onboarding Team QX 20XX

Responsibilities

Objective	Key Result	Owner	Support
3.	Get Ready for Massive Scale		
1.	Increase Weekly Unique Visitors to Website from 2,756 to 20,000	Marketing	N/A
2.	Enable customers to buy without contact with Sales	Sales	Supported
3.	Increase number of clients onboarded per day from 247 to 600 (7 Day Rolling Average)	Us	Owned
4.	Decrease number of inbound support requests per customer per week from 0.4 to 0.01 (7 Day Rolling Average)	Customer Support	Not Supported

Business As Usual	Status	Resources
2. Running Onboarding Process	Owned	90% of 5 Analysts, onboarding 50/day each on average
3. Hiring Onboarding Analysts	Owned	10% of 5 Analysts (plus 30% Hiring Manager)

Plan

Initiative	Sub-Initiatives	Milestones	Resources & Dependencies	Risk
1. Grow Team: OKR 3.3 Hire, onboard and train 3 more Onboarding Analysts (Pending Finance approval)		1: Wk 7 2: Wk 10 3: Wk 12	10% team allocation each week – Business As Usual	High
2. Increase Throughput: OKR 3.3 Increase clients per Analyst per day from 50 to 75		See metrics projection below	8 pw of Senior Analyst, 50% x 8wks, 100% x 4wks	Medium
	1. Onboarding Tool v2: +10% efficiency	Wk 5	Dev Team A (25 pw⁵⁹)	Low
	2. Improve Documentation: top 7 issues	Wk 8	Internal (4 pw)	Low
	3. Review workflow: identify inefficiencies	Wk 12	Internal (4 pw)	Medium
3. Onboarding Handover Flow: OKR 3.2 (Sales) Define a self-service Onboarding Handover Flow		Wk 11	Internal (1 pw)	Low

Non-Plan

Initiative	Resources
4. Client Tiering: Customer Support (OKR 3.4) Tiering clients to provide differentiated onboarding and improve client education to reduce support load	Unknown
5. Update Onboarding Process: Product Modify Onboarding Process to include new features launching this quarter	Unknown

Metrics

Week	1	5	7	8	10	12
FTEs	4.5	4.5	5.5	5	6	8

⁵⁸ This is an entirely hypothetical example, but you can understand much of the hypothetical context from this plan alone.

⁵⁹ Person Weeks – use whatever makes most sense for your organisation. If it's variable, say 25-40 pw, then write that down. If it requires something else, write that down as well – eg 25pw & €2000/mo opex. (Opex is operational expense – like server costs for example).

<i>Per FTE</i>	50	55	55	60	60	75
<i>Clients/wk</i>	225	240	290	350	420	600
<i>Est Total</i>	225	1140	1670	2020	2790	3810
<i>Comment</i>	Start Improve Documentation (2.2): -0.5 FTE	Onboarding Tool v2 (2.1) complete: +10%	Grow Team (1): +1 FTE	Finish Improve Documentation (2.2): +0.5 FTE; +10%. Start Review Workflow (2.3): -1 FTE	Grow Team (1): +1 FTE	Grow Team (1): +1 FTE. Finish Review Workflow (2.3): +1 FTE, +25%

Risks

- **Grow Team (1):** We have never hired that fast before. More realistic is Wks 15, 18 and 25, impacting projected metrics.
- **Review Workflow (2.3):** significantly unknown effort and benefit.
- **Improve Documentation (2.1) and Review Workflow (2.3):** Dedicating Senior Analyst to projects may have higher impact on onboarding pace as they take the most complex cases.
- **Total Onboarded:** Sales projects ~5000 new clients by wk 12 so we could be behind by up to two weeks and growing.
 - **Request:** Increase Headcount allocation to +6 and start hiring so we can catch up in following quarters.

Hotly Debated Topics

Client Tiering/Reduce Support Load (OKR 3.4/Non-Plan 4): We have been asked to help **Customer Support** reduce the number of support requests per client with improvements to client education, driven by a tiering project (non-plan 4).

- **Invest:** Tier clients and provide differentiated service and then improve client education and tune the onboarding process to eliminate common errors that lead to customer support tickets later for the largest tiers
 - **Reasons:** This will help Customer Support reach OKR 3.4
 - **Concerns:** We believe we will have some improvement as a side-effect of plan to improve documentation (2.2) and improve workflow (2.3), but if we split our attention, we risk missing both, as well as taking extra resources away from onboarding to support this work.
- **Delay:** Until next quarter
 - **Reasons:** We will have significantly more data and leverage to improve after this quarter is finished, and we believe improving onboarding pace is more critical than customer service efficiency
 - **Concerns:** Customer Support estimate they will only reach 0.1 without help from Onboarding

Our Decision: To delay to next quarter where we can more easily dedicate a person to this without affecting onboarding. The additional clients onboarded will give us additional revenue to support higher support workload with more people if needed.

Recommendation: Adjust OKR 3.4 and Customer Support resourcing to accommodate these priorities.

More free tools

These tools go with this book. They are all free on my website, with no email needed.

- **The OKR Cheat Sheet** – everything you need to write good OKRs, on one page.
richardrussell.co/resources/okr-cheat-sheet
- **How to Set OKRs in a Week** – the process I use with my clients, day by day, with the meeting agendas.
richardrussell.co/resources/how-to-set-okrs-in-a-week
- **The One Page Strategy** – a strategy your whole leadership team can write and use.
richardrussell.co/resources/one-page-strategy
- **The One Page Plan** – your team's quarter on one page (see the Planning Habit).
richardrussell.co/resources/quarterly-plan-template
- **The 1-2-4-All Method** – a way to hear every voice in the room when you write OKRs.
richardrussell.co/resources/1-2-4-all-method
- **The Leader's OKR Guide** – making OKRs work in a big company, with sponsors and other teams.
richardrussell.co/resources/okrs-in-a-big-company

Work with me

I coach founders, leaders and leadership teams, and run workshops on OKRs, planning and the weekly rhythm that makes them work. If you'd like to talk about your situation, book a free 20-minute call on my website.

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About the Author

I'll skip the boring bits where I started my career as a software developer in Australia, moved to London in search of better weather and worked for a big investment bank, helping cause the Global Financial Crisis (it wasn't my fault!).

In 2006, I scored my dream job at Google in London. As part of the onboarding process, Claire from HR introduced "our way of setting goals, which we think is kind of special", OKRs.

I was underwhelmed.

The cynic in me saw OKRs as little more than grouping a limited number of SMART goals in themes with a headline and revising them every quarter. I expected something more complex and intricate.

Over six years, they became part of how I operated, first as an individual contributor, then as a manager.

And what I saw was that while OKRs themselves didn't **do** anything, and the format was plenty good but not that special, what was special was how they were used to create an environment which engaged more of the brainpower of more of the people for more of the time, on things which mattered to our customers, and which would help our business.

OKRs weren't just a goal-setting method, they were part of a larger management operating system that enabled Google to get far more value from its staff than most companies could.

After leaving Google in 2012, I discovered that most companies lacked this advantage, and the idea that I could help them gain it began to form in my mind.

In 2014, I moved to notoriously sunny Luxembourg, where I worked for Amazon leading a team of 100 people translating and localizing 10 million product listings per day and making billions in extra revenue. I burnt out after two years (not uncommon - like dog years, Amazon years are worth seven normal years!), left and became an independent consultant and coach.

Since 2017, I've consulted for big brands like IKEA, Nestle, Vodafone, Intuit and Deloitte, mid-sized companies like Luxair, Post Luxembourg, P&O Ferries, and Software AG, and high growth scaleups including Sendcloud, Xeneta, Xempus, and ManyPets. Whether helping the CEO or a business unit executive, the common theme has been building management operating systems that balance execution, strategy, innovation, and people – and deliver amazing results reliably.

You can follow me or connect on LinkedIn: <https://www.linkedin.com/in/richardarussell/>

