OKR

Development Workshop

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Human Resources

Objectives & Key Results

"A management methodology that helps to ensure that the company focuses efforts on the same important issues throughout the organization."
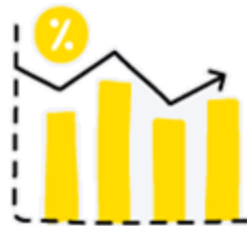
-John Doerr, *Measure What Matters*

Anatomy of <u>our</u> OKR Framework

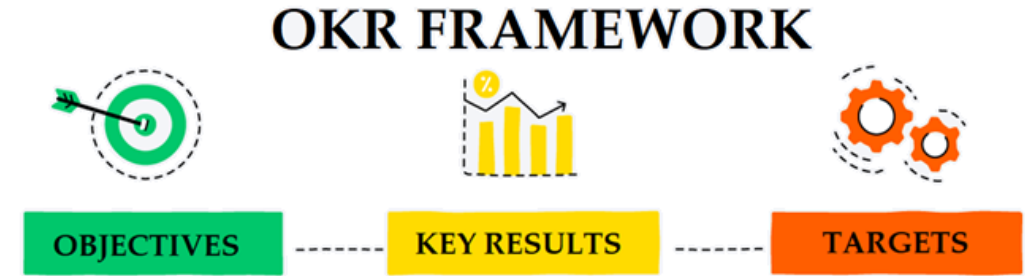| OBJECTIVES	KEY RESULTS	TARGETS
Goals that inspire and set direction	Steps that measure progress towards an objective	Tasks required to drive progress of key results
Where do I need to go?	*How do I know I'm getting there?*	*What will I do to get there?*

What is the difference between OKRs and SMART goals?

There are three distinct differences that set these goal setting approaches apart.

▶ Depending on how a team or an individual chooses to define SMART goals, they can present fundamental differences from OKRs.

▶ SMART goals solely craft the objective.

▶ SMART goals are not a framework, they are a guideline.
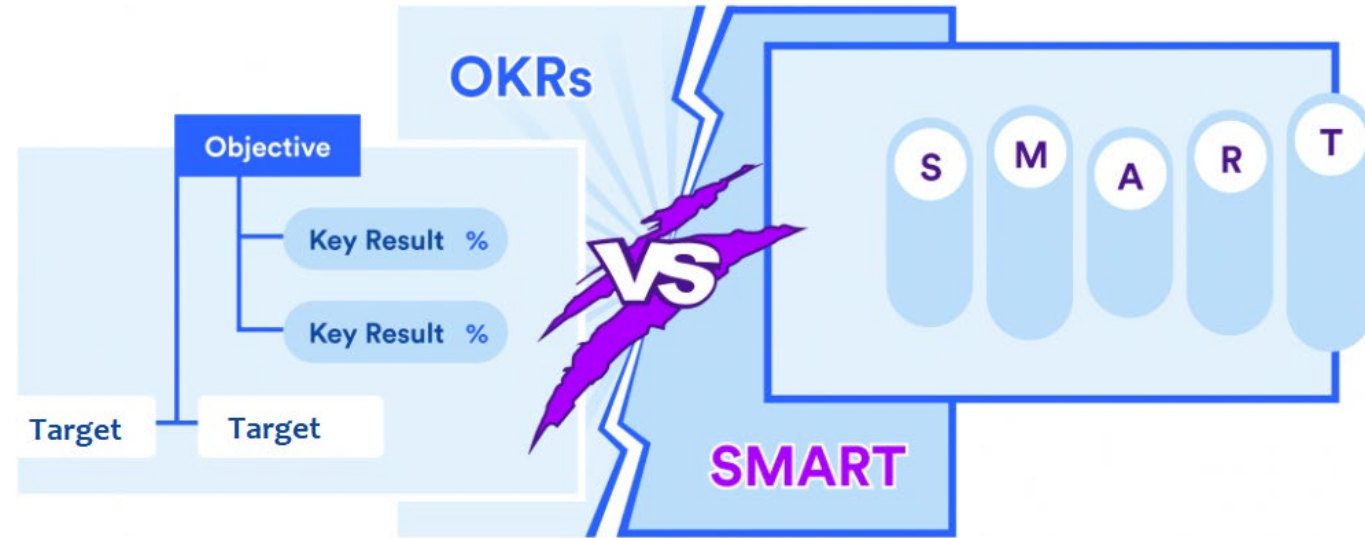
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OKR: Recruiting

OKR FRAMEWORK

OBJECTIVES — KEY RESULTS — TARGETS

Objective: Hire 10 new employees by end of March.

- ▶ Key Result: Develop an annual hiring plan by end of February.
    - ▶ Target: Create timeline for hiring.
- ▶ Key Result: Onboard 2 recruiting agencies for Engineering and Sales by February 15th (with TA)
    - ▶ Target: Solicit at least 5 recruiting agencies to review the services they offer.
- ▶ Key Result: Launch new careers page with employee content to improve hiring brand.
    - ▶ Target: Create a new web page.
- ▶ Key Result: Restructure employee referral program to generate 10% more referrals.
    - ▶ Target: Determine the usage of current referral program.

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Why use OKRs?

- Objectives and Key Results are a tool for leaders to articulate their vision in a clear, concise and practical manner.
  - Where do we want to go? (Objective)
  - How will we know when we get there? (Key Result)
- Leaders are responsible for the vision of the company
  - What's next?
  - Focus on growth, innovation and defining needed change
  - OKRs help leaders focus on most critical goals and reinforce commitment
- Managers oversee day-to-day operations
  - They guide teams to the resources to execute the vision
  - OKRs help managers align team goals to the mission and to track their progress

> "A management methodology that helps to ensure that the company focuses efforts on the same important issues throughout the organization."
>
> -John Doerr, *Measure What Matters*

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OKRs should connect to our Purpose

▶ **Purpose** → "Why are we here?"

▶ **Mission** → "What do we do?" and "Who do we serve?"

▶ **Objectives** → "What are we trying to do?"

▶ **Key Results** → "How do we know when we've made it?"

▶ We are here to _____. We are doing that because _____.

Vision: By 2026, UNT System is one team, values driven and customer focused with an emphasis on excellence, curiosity, and innovation.

Objectives

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Blueprints for an Effective Objective

▶ Significant

▶ Concrete

▶ Action Oriented

▶ Inspiring

Discussion Topic: What's an Objective that is important to your department right now?

What objectives *are not*?

▶ OKRs are not "the sum of all tasks." A description of what you already do each day (business as usual).

▶ They are not all of your Key Performance Indicators, or a dashboard of all the metrics a team tracks in its operation.

▶ We use OKRs to lead and Key Performance Indicator(KPIs) to manage.

▶ You are working against your OKRs if you tend to skip them at team meetings or attention reverts to maintaining the status quo.

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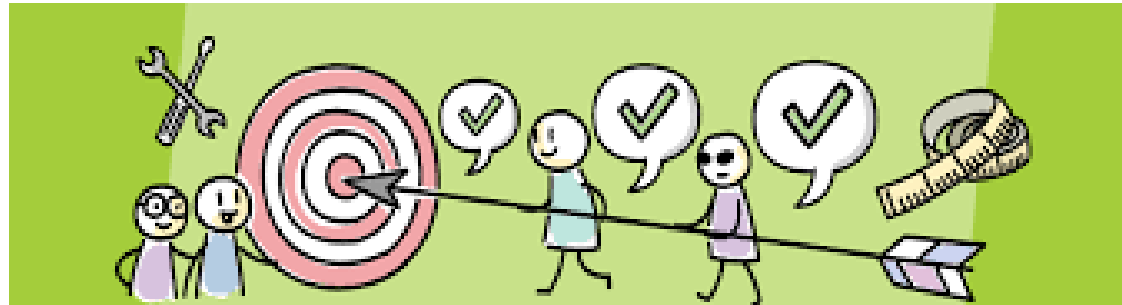
Example Objectives

▶ Launch a long-term candidate sourcing solution.

▶ Establish an impactful employee wellness program.

▶ Increase retention of first year employees.

▶ Prepare highly competent graduates for a career in neuroscience

▶ Enhance professional development opportunities for clinic staff.

OBJECTIVES

Goals that inspire and set direction

Where do I need to go?

Brainstorm!

▶ Take one of the identified Key Results: What are the most important things that need to get done in the next 90 days?

▶ What needs to change from where you (or your team/organization) are today?

▶ What does success look like in the next 90 days?

Refining Your Objective

▶ Does the Objective represent **meaningful** change?

▶ Can you make your Objective more **specific**?

▶ Does your Objective need to be more **action-oriented**?

▶ Can you frame the same Objective in a simpler, more **concise** way?

Challenge:
Department has received feedback that service delivery is too slow
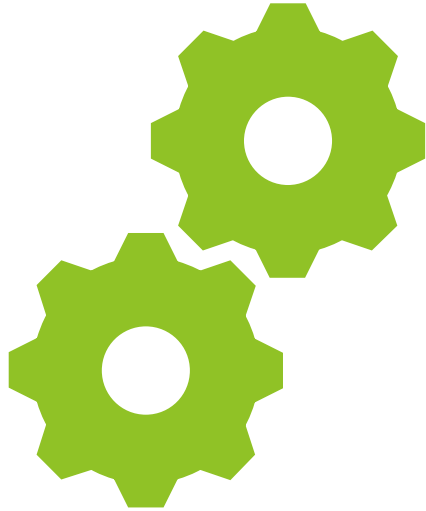
Objective 1st draft: Speed up the delivery of service

▶ Assessment

  ▶ It may not identify the root cause of the problem

  ▶ What is most important, and why?

Objective 2nd draft: Improve the quality of the services we deliver

▶ Assessment

  ▶ Broadens the OKRs scope

  ▶ Is it significant or inspiring?

Objective 3rd draft: Deliver an exceptional experience to our customers.

▶ Assessment

  ▶ Encourages team to rethink their service delivery from top to bottom

  ▶ Gives them latitude to think big and stretch

  ▶ Exceptional experience is aspirational, significant and inspiring

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Key Results

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What are Key Results?

▶ <u>Key Results are the measures and milestones that indicate how you will accomplish your Objective.</u>

▶ Each Objective has its own set of Key Results with at least 3, but no more than 5, per Objective. You can't have an Objective without Key Results, and vice versa. That's what makes this goal setting system so unique.

▶ Remember, good Key Results have several basic characteristics:

  ▶ They are specific and time-bound.

  ▶ They are aggressive, yet realistic.

  ▶ They are measurable and verifiable.

KEY RESULTS

Steps that measure progress towards an objective

How do I know I'm getting there?

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Example Key Results

Objective: Hire 10 new employees by end of March.

▶ **Key Result:** – Develop an annual hiring plan by end of February

▶ **Key Result:** Onboard 2 recruiting agencies for Engineering and Sales by February 15th

▶ **Key Result:** Launch a new careers page with employee content to improve the hiring brand

▶ **Key Result:** Restructure employee referral program to generate 10% more referrals

Remember the checklist:

✓ They are specific and time-bound.

✓ They are aggressive, yet realistic.

✓ They are measurable and verifiable.

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Example Key Results

Objective: Establish an effective employee wellness program.

- ▶ Key Result: Offer 5 employee wellbeing activities per quarter

- ▶ Key Result: Engage mental health partners and enroll 20% of staff

- ▶ Key Result: Increase participation in quarterly fitness challenge by 15%

Practice

▶ Start with the first Objective on your list. Ask yourself the following question:

▶ **What are the three to five measurable ways to prove that we accomplished the Objective?**

▶ If your list of potential Key Results extends beyond five entries, then examine each KR and **ask yourself if it is a truly essential measure** on the path to meeting the Objective.

Example OKRs

HR Objective: Strengthen our corporate culture

▶ **Key Result:** Roll out a continuous two-way feedback loop via weekly surveys

▶ **Key Result:** Maintain an average employee satisfaction score of 8 or higher

▶ **Key Result:** Create & launch new mentorship program by the end of Q3

Marketing Objective: Instagram account is a major contributor to sales and brand awareness

▶ **Key Result:** Hit 100k followers by end of cycle

▶ **Key Result:** 2.5% average engagement rate on all posts

▶ **Key Result:** 15% of sales comes from Instagram

▶ **Key Result:** Make a "10 top accounts you need to follow" list

Example OKRs

Marketing Objective: Improve company website

▶ **Key Result**: Redesign visuals and layout of website

▶ **Key Result**: Increase loading speed by 20%

▶ **Key Result**: Increase average visit times by 20%

Campus Objective: Extend the Institution's reach to new students

▶ **Key Result**: Perform A/B tests, learn, and iterate on ways to acquire new students and engage existing students

▶ **Key Result**: Increase online active students by 20%

▶ **Key Result**: Create internal tools to track key growth metrics

▶ **Key Result**: Launch features to enable instructors to create more engaging virtual classes

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Managing OKRs with Performance Check Ins

Don't just set it and forget it.

Revisit OKRs regularly through Performance Check Ins

- ▶ **Establish predetermined milestones before each check-in**

- ▶ **Document in progress notes section during check-in**

For team OKRs, identify project managers as needed to track progress and deliverables.

Let us take a moment!

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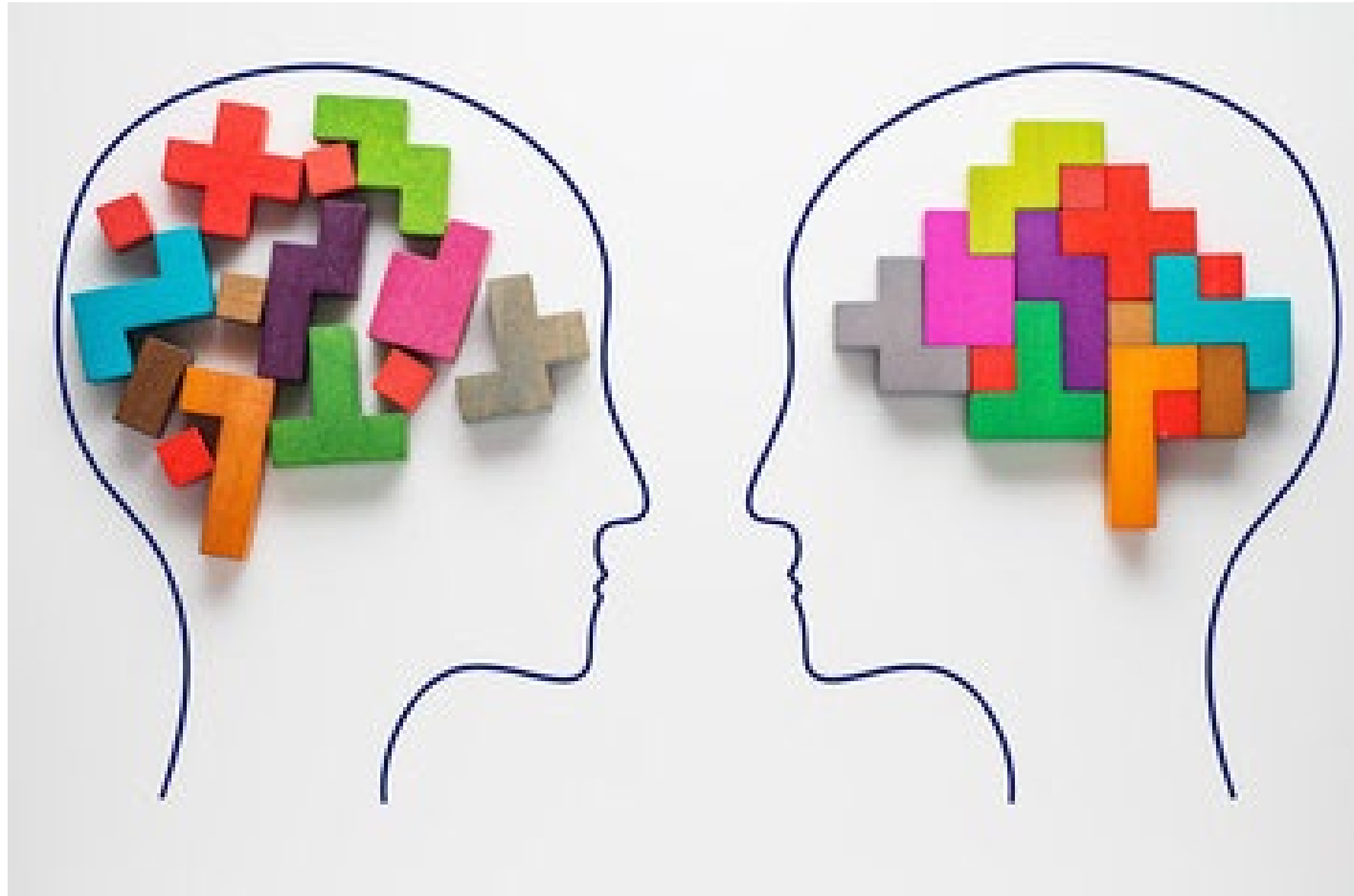
Develop Key Result Targets

For each **Key Result** break down into achievable quarterly **targets.** These targets will be reviewed at each check-in through the year:

1) **S**pecific
2) **M**easurable
3) **A**ttainable
4) **R**elevant
5) **T**ime bound

TARGETS

Tasks required to drive progress of key results

What will I do to get there?

Targets

Target

A **Target** describes what you'll do to achieve your Key Results.
They're all the projects and tasks that will help you achieve a Key Result.

Objective: Hire 10 new employees by end of March.

▶ Key Result: Develop an annual hiring plan by end of February

  ▶ Target: Create timeline for hiring

▶ Key Result: Onboard 2 recruiting agencies for Engineering and Sales hiring by February 15th

  ▶ Target: Solicit at least 5 recruiting agencies to review the services they offer

▶ Key Result: Launch new careers page with employee content to improve hiring brand

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  ▶ Target: Determine the usage of current referral program

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Example Targets

Objective: Improve the effectiveness and the efficiency of the Student Success Center.

Targets	Key Results
Interview 15 student employee applicants	Onboard and retain five new student employees
Oversee 50 programs run by student organizations	Increase the average weekly attendance of student organization events by 19% (53 more attendees per week)
Create an office Instagram account	Increase the number of followers across all social media accounts by 41% (463 total new followers)

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Example

Objective: Improve our IT and Infrastructure

▶ **Key Results:** Eliminate systems downtime in Q2

    ▶ Target: Create a plan for recovery

▶ **Key Results:** Implement the new cloud backup system and process

    ▶ Target: Source at least 5 reliable cloud backup solution providers

▶ **Key Results:** Improve internal IT satisfaction and response time

    ▶ Target: Expand canned responses to fit a vast range of common tickets

Cascading OKRs

OKRs within an Organization

Organizational Objectives
High-level goals set by the organization to be achieved over a set period of time.

Function Leaders OKRs
Goals outlining what the function wants to achieve. They should align with and enable the organizational OKRs.

Department Key Results
Key Results set by the departments that need to align with the function and organizational objectives.

Individual Targets
Targets set by individual team members that contribute to departmental key results and function and organizational objectives.

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Before we start

Mindset:

▶ Before we get started, a quick reminder that writing and aligning OKRs is an interactive process … each quarter that you create, align, and achieve your goals, the better you will become. That's why we strongly urge focusing on progress over perfection.

Consider the following:

▶ Objectives are not identical to the ones before them, but in support of them.

▶ Once the Organization level OKRs are in place, it's recommended that teams (which could also be called Departments, Divisions, etc.) align their Objectives up to the organization level, and then sub teams below that align their objectives to the objectives of the parent team.

Cascading OKRs

Your OKRs should align to the broader organizational OKRs, as your main goal is to add value to the business. This means that OKRs require both top-down and bottom-up support to be successful.

1. OKRs provide organizations with a framework to set strategic objectives top-down and contribute to this strategy bottom-up.

2. Annual objectives are set by the board or executive committee.

3. Objectives are then cascaded by middle management into different key results, often with input from their teams.

4. Individual team members can tag onto specific KRs and propose targets on how they can contribute to the organizational objective.

OKRs within an Organization

Organizational Objectives → Function Leaders OKRs → Department Key Results → Individual Targets

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Example

The following example starts with an organization goal written by the chancellor for the entire HR area. The VC of the HR then created an objective for the functions based on that goal.

Organizational goal: People First Values-Based Culture

    Function Objective: Build a Talent Management System

        ▶ **Key Result:** Rebuild hiring process & experience: recruiting, orientation & onboarding

        ▶ **Key Result:** Institute process for quarterly all-staff meetings and three 1:1 direct report structured check-ins per year

        ▶ **Key Result:** Institute talent management toolkit

OKRs within an Organization

Organizational Objectives	Function Leaders OKRs	Department Key Results	Individual Targets
✓	✓		

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Example

So based on our chart from a couple slides ago, we still have more steps to go:

Function Objective: Build a Talent Management System

- ▶ **Key Result:** Rebuild hiring process & experience: recruiting, orientation & onboarding

- ▶ **Key Result:** Institute process for quarterly all-staff meetings and three 1:1 direct report structured check-ins per year

- ▶ **Key Result:** Institute talent management toolkit

    Department Objective: Implement tools and resources that provide new employees an understanding of compensation practices, the performance management process, and career path opportunities.

    - ▶ **Key Result:** Develop and deliver new employee compensation overview resource by July 2023

    - ▶ **Key Result:** Develop a method to push a reminder to hiring managers to review the job description for updates and to discuss with the employee within first 30 days.

    - ▶ **Key Result:** Develop and deliver new employee performance management guide by March 2024

    - ▶ **Key Result:** Complete assessment of career family groups and provide pay plan page that groups jobs by family by March 2024

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Practice Together!

Create an OKR for your department!

OBJECTIVES	KEY RESULTS	TARGETS
Goals that inspire and set direction	Steps that measure progress towards an objective	Tasks required to drive progress of key results
Where do I need to go?	*How do I know I'm getting there?*	*What will I do to get there?*

Utilize our Developing Objectives and Key Results Worksheet

Developing Objectives and Key Results

Process Steps and Worksheet

Objectives: An **Objective** is what you want to accomplish

Key Results: **Key Results** are how you will accomplish the objective

Targets: The **Targets** are the individual tasks completed to achieve the OKR

Process Steps

Step 1: Create a list of potential Objectives

Considering the strategic plan and overall institution, division, and department's purpose and mission:

1) What are the most important things that need to get done in the next year?
2) What needs to change from where you (or your team/department) are today?
3) What does success look like at the end of one year?

Step 2: Refine the Objectives

Narrow down the list to the top 3 most significant items, and for each item consider:

1) Does the objective represent meaningful change?
2) Can you make the objective more specific?
3) Does the objective need to be more action-oriented?
4) Can the objective be stated in a simpler, more concise way?
5) Does the objective represent realistic expectations for what can be accomplished in a year?
6) Is the objective business as usual?

Step 3: Develop Key Results

Taking each objective, ask the following questions:

1) What are the three to five measurable ways to prove that the objective has been accomplished?
2) If this list exceeds five entries, look at each Key Result and ask if it is an essential measure on the path to meeting the objective.

Step 4: Refine the Key Results:

Developing Your OKRs

Objective 1:

Key Result 1a:

Target 1:

Target 2:

Target 3:

Key Result 1b:

Target 1:

Target 2:

Target 3:

Key Result 1c:

Target 1:

Target 2:

Target 3:

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Questions?

Resources

Bridge Training

▶ Objective Key Results OKRs

Training by the Author

▶ What Matters by John Doerr

LinkedIn Learning

▶ Delivering Employee Feedback

▶ Giving and Receiving Feedback

▶ Goal Setting: Objectives and Key Results (OKRs)

Other resources

▶ Developing Objectives and Key Results Worksheet

▶ Employee Feedback Guide

▶ Supervisor Feedback Guide

▶ Discussing and Improving Team Performance

▶ Managing Negative Reactions to Feedback

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