

An example set of OKRs for cross-functional product organization

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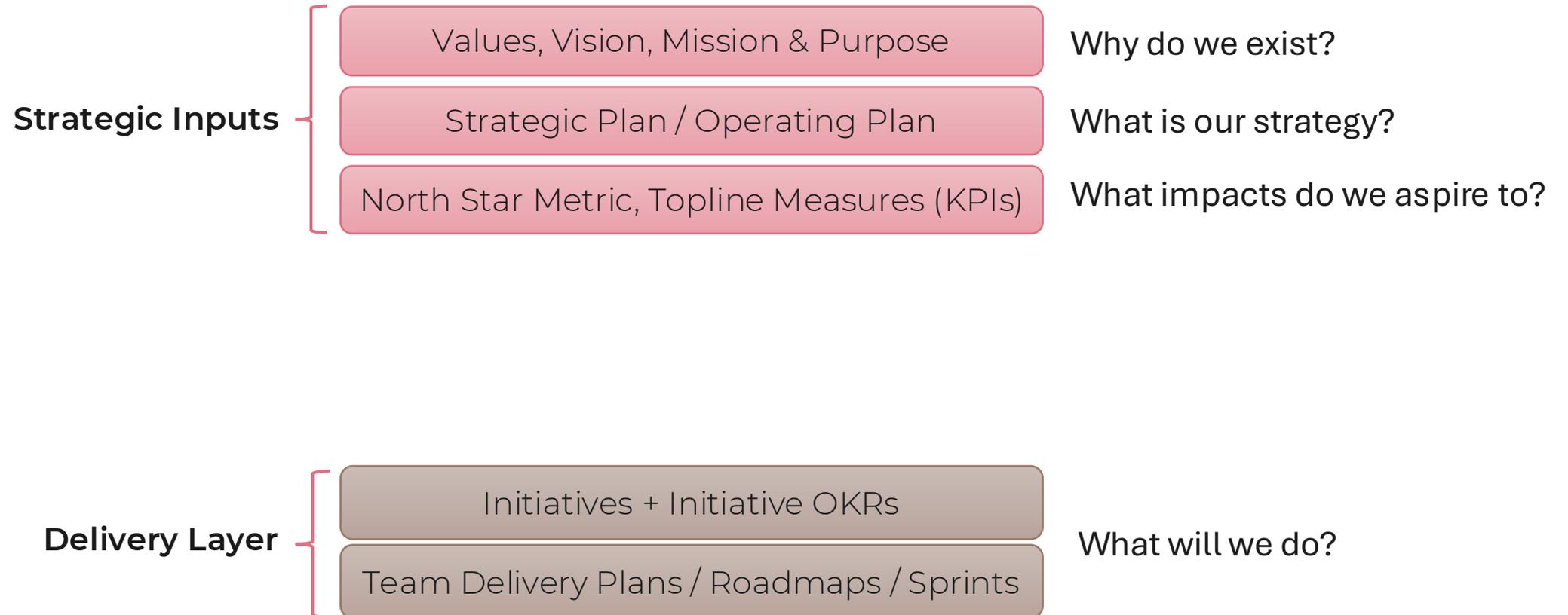
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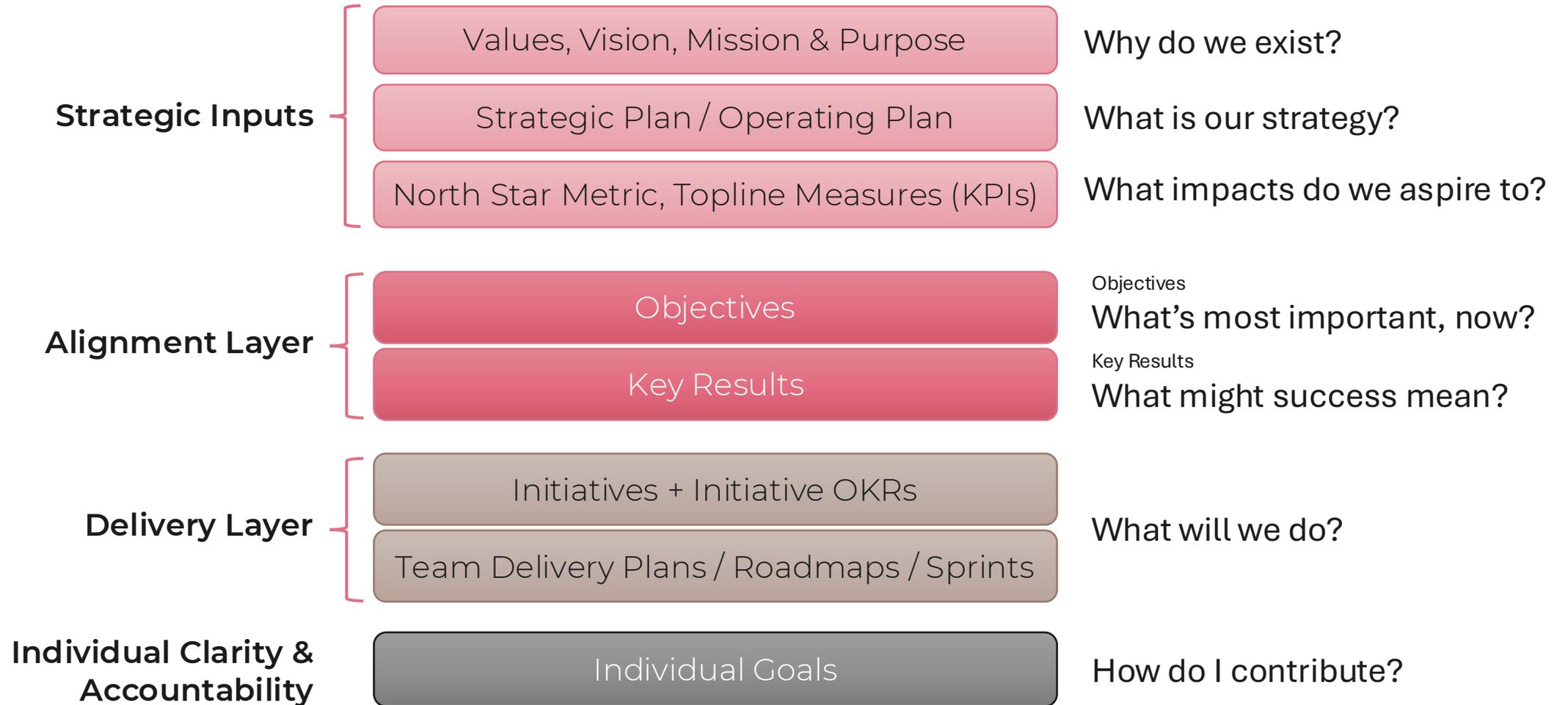
OKR (ō-kā-är) n. Objectives & Key Results

- OKRs are a **transformation** and **alignment** methodology that relies on two major parts: Objectives, and Key Results.
- Our OKRs represent our current theory about the **outcomes** and **progress** we aim for, to further our strategy.
- Fully mature OKRs serve as a measurement model to help us **objectively** evaluate our progress and success (and **learn** from our setbacks).

How Most Organizations Strategically Plan



OKRs in Context: The Connected Strategic[®] Stack



No-BS OKRs Examples

OPERATIONALIZE FOR SCALE

Innovate operations at the speed of the market so we can capitalize on this growth moment

- Increase production capacity by 100x through surge manufacturing providers
- Reduce supply-chain related delays by 30%
- Observe a 10% reduction in customer complaints despite our growth

SUSTAINABILITY

Balance our environmental footprint through unheard-of advances in every element of our technology

- Decrease carbon emissions by 40% (from 1000 metric tons to 600 metric tons)
- Increase use of renewable energy sources by 50% (from 20% to 30% of total energy consumption)
- Reduce waste by 30% through the implementation of new recycling and waste reduction initiatives (from 100 metric tons to 70 metric tons)

INVESTING WISELY

Adopt a balanced financial strategy so that this year's windfall can power AnyCo's stability for a century to come

- Increase the percentage of revenue allocated to long-term investments by 100% (from 10% to 20% of total revenue)
- Increase the company's cash reserves by 100% (from \$2.5 million to \$5 million)

CULTURE

Gain exceptional talent now, that will make a career of AnyCo

- Achieve an average first-90-day satisfaction rate of 90% (up from 75%)
- Increase percentage of new hires from internal referrals by 8 pts (from 2% to 10%)
- Improve employee retention rate by 20% (from 80% to 96%)

OKRs at the Company Level

Theme

Objective

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Features of company-level OKRs:

- Lofty Objectives
- Big, broad Key Results
- Every KR has a number!
- Os and KRs don't talk about "how," they talk about "what" and "why"

Key Results

OKRs at the Org Level

OPERATIONALIZE FOR SCALE

Improve the efficiency and effectiveness of technology operations to support AnyCo's growth and expansion

- Reduce the average time to resolve technology issues by 30% (from 4 hours to 2.8 hours)
- Improve the satisfaction rate of internal technology customers by 10% (from 85% to 93.5%)
- Reduce technology operating costs by 10% (from \$10 million to \$9 million)

SUSTAINABILITY

Develop and implement new technologies to support AnyCo's environmental sustainability goals

- Increase the percentage of technology operations powered by renewable energy sources by 50% (from 20% to 30%)
- Decrease the amount of electronic waste generated by technology operations by 30% (from 100 metric tons to 70 metric tons)

CULTURE

Foster a culture of innovation and collaboration within the technology organization to attract and retain top talent

- Achieve an average first-90-day satisfaction rate of 90% (up from 75%)
- Improve score on "My work is innovative" employee survey question by 50% (from 4.0 to 6.0)

Features of organization-level OKRs:

- Clear alignment to company-level OKRs
- Every KR has a number!
- This cross-functional team only localized the Objectives they were closely aligned to;
- Greater focus, since people will also have Initiative OKRs and Individual Goals also.

Initiative OKRs

AI-POWERED RECOMMENDATIONS INITIATIVE

Develop and implement an AI-powered recommendation system to deliver tailored interactions that boost conversion, enhance cross-selling and upselling, and support AnyCo's growth and efficiency goals

- Achieve a 90% positive feedback rate from alpha pilot users on the relevance and usefulness of the AI-powered recommendation system's recommendations within the first month of the alpha pilot program.
- Increase cross-selling and upselling conversion rates by 25% within the first 6 months of implementing the AI-powered recommendation system.
- Achieve a 90% accuracy rate in the AI-powered recommendation system's recommendations within the first 3 months of implementation.
- Milestone: Complete the development and implementation of the AI-powered recommendation system within 9 months from the start of the initiative.

Features of Initiative OKRs:

- Often shared cross-functionally (e.g. here, between Engineering and Product)
- Typically, only one Objective per Initiative
- Key Results are formed exactly the same
- Balance leading indicator and lagging indicator Key Results
- It's not uncommon to see one or two important milestones, for predictability

Goals at the Individual Level

1. Increase my code contributions to open-source projects by 50% this quarter (from 4 to 6 contributions) to support our innovation goals
2. Reduce my average time to respond on P1/P2 issues by 30% (from 8 hours average to 5.6 hours average) to support our efficiency and effectiveness goals
3. Mentor two junior software engineers with a satisfaction rating of 80% or better to support our employee retention goals.

Features of quality aligned, individual goals:

- They are aligned to the “upline” OKRs;
- They can be written like organizational Key Results – not just about activity, but also about important outcomes;
- The goal threshold should be more conservative (set at a committed or achievable threshold) so that others can depend on our individual commitments and so individuals have predictability about what’s expected of them.



About your OKR pro

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For More Information:

Get more info about my books at <https://youareastrategist.com>

Download the WTF are OKRs Guide: <https://findrc.co/wtfokrs>

Explore my other free resources:

<https://saralobkovich.com/no-bs-okrs-freebies-and-downloads>

Red Currant Collective By the Numbers

Trained 2,000+ OKR coaches in
300+ organizations globally

750+ hours of OKR workshop
facilitation experience;
with an additional 75+ hours of
OKR workshop facilitation
delivered each quarter

Averaging a 96% positive
response in post-experience exit
surveys for coaching,
consulting, & offsite work

Lead OKR methodology roll-outs
for teams from 1-4,000+ and
within large Enterprise orgs

10/10 Rating for No BS OKRs
Course on Maven; Instructor NPS
of 77 with Section School
(among their highest recorded)

Currently engaged to consult
with organizations with a
combined annual economic
impact of over \$15 billion in
revenue