

A MODEL FOR STRATEGY

EXECUTION

Accelerating Membership Value with Objectives & Key Results (OKRs)





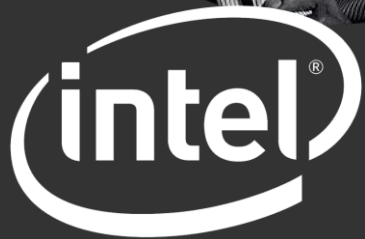
CHALLENGES WITH STRATEGY EXECUTION

- Too many ideas
- Difficult to align
- Unclear who is responsible
- Lots of shiny objects



INTRODUCING OKRs

In the 1980's, OKRs originated from MBOs, or Management By Objectives



- Most goals **lack a sense of purpose** to inspire teams
- Objectives (aka *what*): need to be significant, concrete, action oriented, **inspirational**
- Key Results: specific and time-bound, **aggressive yet realistic**, measurable and verifiable

OKRs is a structured goal framework that helps organizations translate their strategic plan into commitments that align teams and drive execution.



OBJECTIVES AND KEY RESULTS



Objective

“Where do I want to go?” An Objective describes where you want to go and sets a clear direction. Think of it as a point on a map, a destination like New York.



Key Result

“How do I know if I’m getting there?” A Key Result shows you how you’re progressing towards your Objective. Think of it as a signpost with a distance marker.



Initiative

“What will I do to get there?” An Initiative describes what you’ll do to influence your Key Results. Think of it as the description of what you’ll do to get to your destination.

Objectives tell you where to go.

Key Results are the outcomes.

Initiatives are the inputs.

WHY USE OKRs

- Breaking big picture strategic plan into bite-sized chunks
- Clarifying accountability
- Measuring What Matters
- Driving engagement throughout the organization
- Helping all employees feel connected to the top-level objectives of the organization
- Increased transparency

THE BIG PICTURE: How OKRs Cascade



Top Level Quarterly Objectives

What are we accomplishing in Q1 to get us to the annual objectives?

These become your team members' contributing objectives & key results – **the OKRs.**

IMPROVE

Improve existing and develop new products and services to drive revenue growth.

AMPLIFY

Amplify the organization's leadership position in the field.

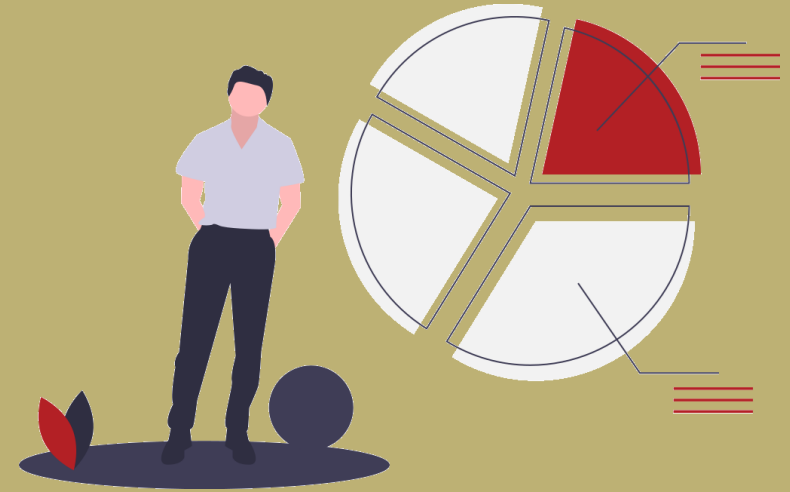
STRENGTHEN

Strengthen our organizational effectiveness & efficiency to engage our team, maximize productivity & continually improve.

OBJECTIVES

- Objectives provide clarity on the intent and direction you are working towards
- Answers the *What* and *Why*
 - What do you want to accomplish?
 - Why is it important?
- Is inspirational
 - Excites others

Ideally, there are only 2-3 objectives per person.



KEY RESULTS

- Outcomes not outputs
- Must be measurable
- First time might be baseline
- *What would be great to have achieved by the end of this quarter?*
- *What you would have more or less of if you accomplish the objective?*
- Not a task list

Ideally, there are only 2-3 Key Results per Objective



SAMPLE OKR

Here's a simple example of a contributing objective owned by one member of the team.

Strategic Plan Driver – Advance Quality and Safety in the Field.

- Q1 - Top-Level Objective 2: Amplify the organization's leadership role as a knowledge partner.
 - Contributing Objective (CO): Redesign the core curriculum program to deliver an exceptional, unique education program.
 - ✓ KR1: 100% of delivery of program for launch by February 10.
 - ✓ KR2: 100% completion of launch marketing campaign with 15% conversion rate.



THINGS TO WATCH OUT FOR

- Strategy development work still needs to happen
- Do not allow perfect to become the enemy of good (or even great)
- Using this as a project management tool
- Competing priorities that will take time from OKRs
- Start slow with leadership team to build muscle memory regardless of how much the organizations needs help
- Too many leaders struggling with change or grasping with status quo

“If you can’t do the original plan, take a modification. A modification is so much stronger than a missed opportunity.
Do not count yourself out.”

- Tunde Oyenehin

OKRs – KEY TAKEAWAYS

- Quarterly cadence **allows organizations to be more agile** and focus on less to get more accomplished.
- Increased communication produces **greater alignment and accountability**
- Frequency of review in **team meetings** and **1:1's** **increases engagement** and feedback.
- Retrospectives allow you to **celebrate wins** and **learn from losses** with greater regularity.
- Investing more time and getting more people involved **pays quarterly dividends**
- OKRs help drive **focus** and **inspiration**

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