Setting meaningful and effective OKRs

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What are OKRs?

OKRs stands for Objectives and Key Results.
OKRs help companies set goals that aligns with their organisational needs, allowing them to meet key outcomes for success and drive employee engagement.

Companies set OKRs in line with their business outcomes, but why do OKRs help with this? Objectives give meaning to company goals, while key results tell you how these can be achieved, providing a measurable element.

Why are they important?

OKRs are important in helping to boost employee engagement, making clear the vision of the company, and make clear what the priorities of the company are and what needs to be done to achieve them. There are many benefits of effective OKR setting, of which there are a few below:

They ensure all teams have objectives that align with overall organisational goals.

Help employees understand the importance of their work.

Improve employee engagement by making work meaningful, alowing employees to see the bigger picture.

Promote a culture of transparency within the company.

OKRs Dos and Don'ts

Dos	Don'ts
Make OKRs flexible, and not too overambitious that it will demotivate employees. Review and set OKRs on a regular basis (quarterly – every 6 months). Make sure that OKRs are clear and measurable. Communicate with employees so that everybody is on the same page about expectations and how these align with company goals. Set about 3-4 key results per objective – this should give you a quantifiable indication of how to meet your objectives.	**Being too under or over ambitious with OKRs.** These won't motivate employees and won't energise them to want to contribute towards meeting company goals. **Setting ambiguous OKRs.** OKRs need to be clear and understood by everybody involved. If these OKRs are vague, it can lead to confusion and a lack of understanding of what needs to be done in order to meet them. **Setting OKRs without communicating with your team.** Communication is essential, and if employees from all levels of the business are not involved in the OKR setting process, this can lead to worse engagement and buy-in from different levels of the business, which will also affect motivation.

Try it yourself:

Try to create a few objectives and related key results yourself.
Are there any particular areas that you can identify that would benefit from some focus? Is it to achieve record revenue? Is it to increase levels of engagement with new customers?

Once you have settled on your objectives, set 3-4 key results per objective that would link directly to achieving this objective.

Examples of effective and ineffective OKRs:

	Effective	**Ineffective**
Objectives	Increase levels of engagement with new customers. - This objective is clear, and represents a clear change within the company.	Meet revenue target. - This objective isn't clear and doesn't demonstrate what the particular objective is.
Key Results	Reduce response time by 20% over the next 6 months. - This key result is measurable and has a clear end point to work toward	Launch sales campaign. - This is not a measurable KR and there is no end point to work towards.