

MEASURE WHAT MATTERS

By John Doerr

Measure What Matters chronicles John Doerr's lifelong journey of helping organizations implement **objective and key results**—otherwise known as OKRs. With the help of OKRs, companies like Google and nonprofits like the Gates Foundation have been able to transform the way they set goals to reach new heights.

Key Ideas:

1. It's not what you know, but what you do with what you know.
 - a. Execution trumps knowledge.
 - b. Regular evaluation to determine whether OKRs are being met or not.
2. OKRs allow organizations to stay focused on reaching their goals.
 - a. There should only be a handful of organizational OKRs at one time.
 - b. Once the objectives are decided upon, 3-5 KR's (key results) are needed per each objective to help determine when objective has been met.
 - c. Need a clear time frame. Consider quarterly objectives. Come together every three months.
3. Having a transparent, aligned OKR system helps organizations move forward efficiently—and collaboratively.
 - a. Individual departmental OKRs need to be aligned with the overall organizational OKRs.
 - b. Top down and bottom objectives—both are key. (Googles 20% plan that produced gmail.)
 - c. Alignment is not always easy but the lack of alignment can be crippling.
4. By constantly tracking OKRs, organizations can make sure that they're heading in the right direction.
 - a. Writing out OKRs is a key to success.
 - b. Continue, update, start (new), stop—4 options for each OKR's each quarter.
 - c. Determine how to gauge progress (some use color coding).
5. Implementing stretch goals allows organizations to truly excel.
 - a. Stretch goals are the OKRs that are a daunting challenge to OKR contributors.
 - b. Studies show that stretched employees show greater levels of motivation, productivity, and engagement.
6. Coupling OKRs with continuous performance management will help bring about a transparent, healthy workplace culture.
 - a. Annual Performance Reviews are being replaced with CFRs in many companies (conversation/feedback/recognition). (Requires 7.5 management hours per employee review and only 6% of HR leaders think the process is worth the cost. If you manage 30 employees that is 1.5 months of reviews.)
 - b. CFR's are the OKR's of the human resource world.
 - c. CFR's are ongoing conversations allowing real time feedback to determine how things are progressing and recognizing where improvement needs to occur.
7. When it comes to OKR's, less is more. Only have 3-5 each quarter.