

Understanding Objectives and Key Results

Topics

- Why OKRs?
- OKR Framework Definition
- What are OKRs and How the Pieces Fit Together
- Benefits of OKRs
- Myths about OKRs
- How to Write and Refine OKRs
- Sample OKRs
- OKR Rhythm of Business
- Microsoft Viva Goals: Making the OKR framework ... work
- Personas and Training Paths
- Frequently Asked Questions
- Additional Resources

Business leaders are looking for a better way to drive purpose, alignment, and results



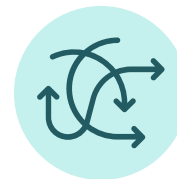
Becoming more strategic with their budget, resources, and time



Focusing on and communicating top priorities for the organization



Adapting to a new normal at work, including the digital needs of a hybrid or remote workforce



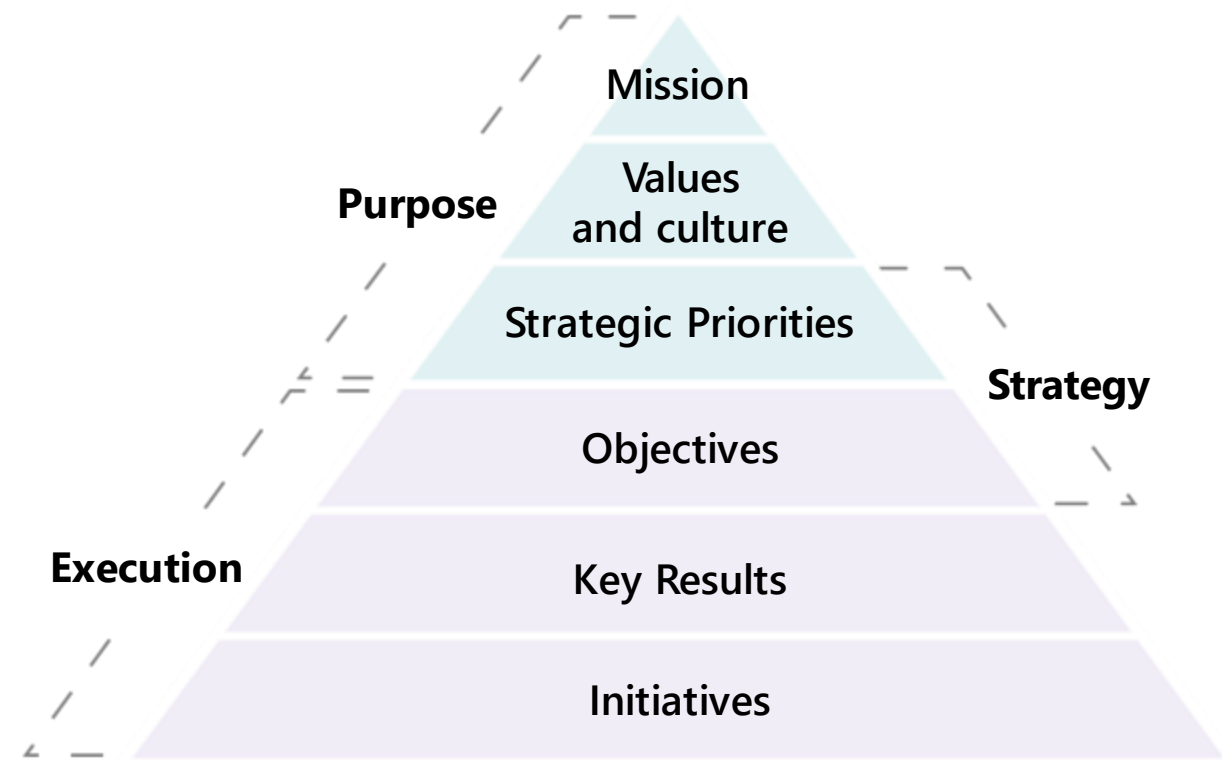
Aligning and connecting work groups that are either siloed and disconnected, or doing redundant work

What we all want to know:

"What is the most important thing to focus on today in order to move the business forward?"

The OKR framework is a goal setting and strategy execution system that helps drive focus, purpose, and alignment.

OKRs sit at the intersection between purpose, strategy, and execution, and help connect the work you do to the mission of your organization.



What are OKRs?

OKR stands for Objectives and Key Results and are the elements of the framework that drive impact.



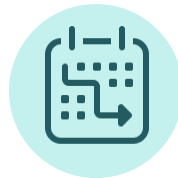
Objectives: What the team wants to accomplish

Clear, inspiring goals shared across teams and organizations. To sharpen focus, limit to 3-5 objectives.



Key Results: How the team will measure results

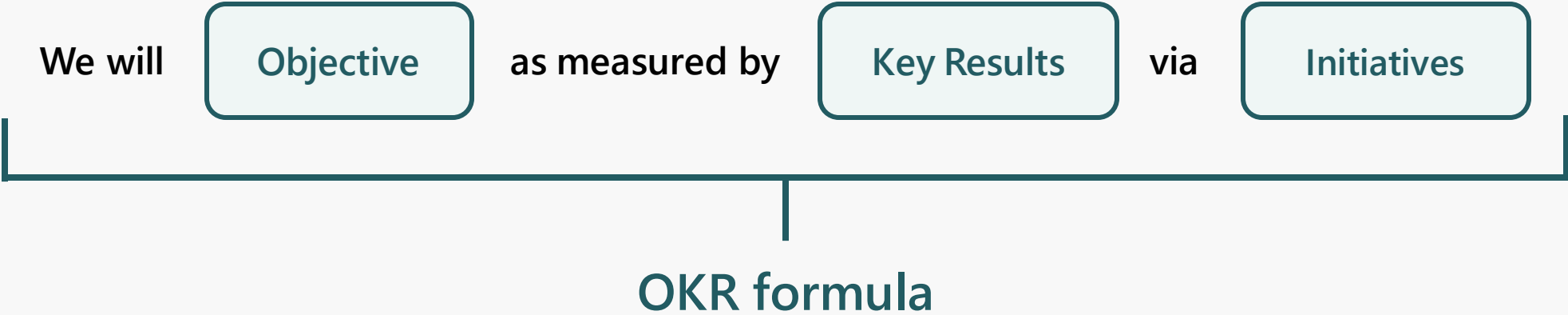
Measurable outcomes which contribute to the achievement of an objective. They should be ambitious, but achievable, and quantifiable enough for objective grading. Set 3-5 key results.



Initiatives: Activities that help the team achieve measurable outcomes

Core set of activities and actions that will be taken to drive the outcomes defined in your key results.

How the pieces fit together



OKRs bring Focus to your work

“If everything is important,
then nothing is.”

Patrick Lencioni

Benefits of organizational goal-setting with Viva Goals



Visibility

Line of sight into what teams are working on and what progress is being made, surfacing dependencies / roadblocks and reducing silos.



Focus

Defined prioritization of team's goals with clear ownership of those goals across the team, often 3 to 5 objectives or missions per team.



Alignment

Ensuring that leaders and teams are aligned to the right purposes and workstreams, and communicating on shared or connected goals.



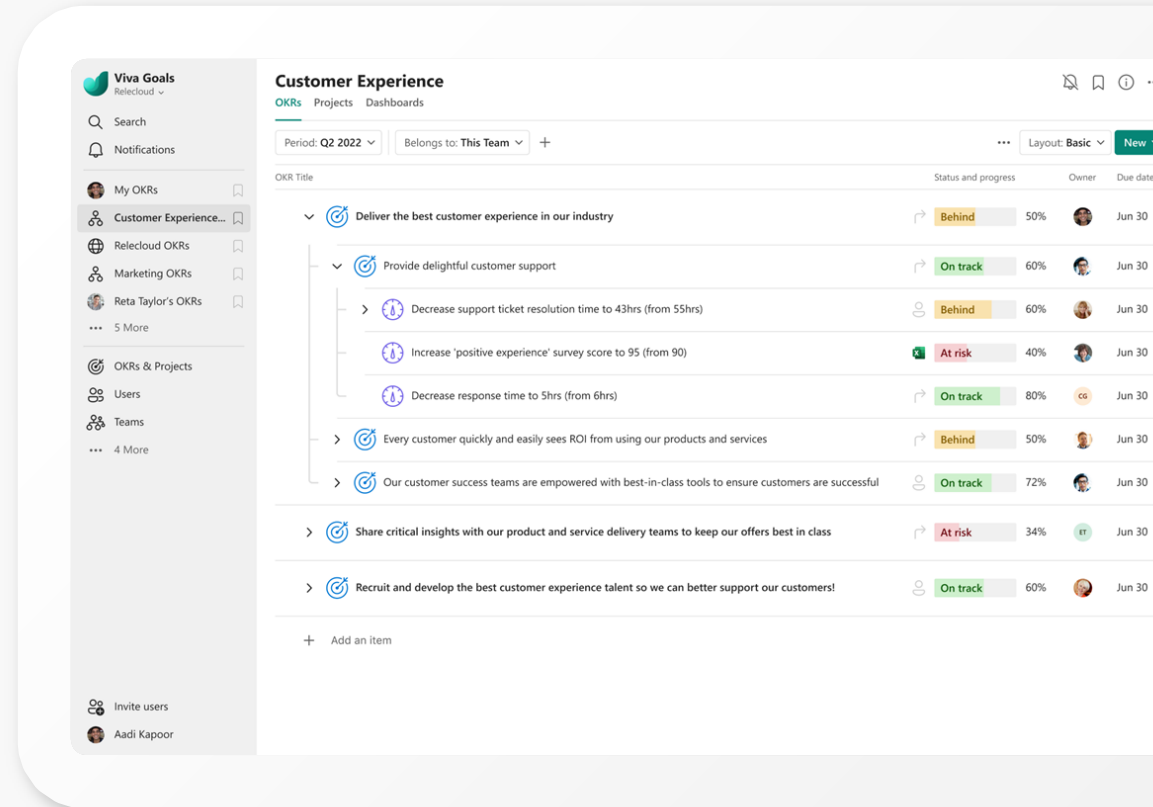
Adaptability

Faster and better decision-making based on dynamic real-time data and updates from integrated tools.



Growth

Striving for ambitious outcomes and stretch goals, with a supportive culture and growth mind-set.



Myths about OKRs

While OKRs have been in use for many years, we've uncovered several myths people have about the framework.

OKRs are not:



Just for leadership

To get an entire organization focused and aligned on strategic priorities, involving the whole organization in OKRs is key.



A project management system

An OKR solution like Microsoft Viva Goals is meant to integrate with, not replace, your project management software in order to streamline your existing workflow.



Meant to be a measure of individual performance

OKRs measure business success, not individual success. OKR output could be one of many inputs into an assessment of an individual's performance, but not the only input. OKR output should generally not be directly tied to an individual employee's compensation.



A way to manage business-as-usual tasks

OKRs are used to track aspirational goals that drive a business forward, not day-to-day work.



Just for high tech companies

Thousands of leaders, from small to medium-sized businesses to large enterprises, have adopted OKRs and seen successful results, no matter their industry.

How to write OKRs...

Objective

Questions to ask

- What is the most important area of our business that we need to focus on?
- Why does this objective matter to us?
- How would we write our objective into a statement that inspires our team?

Formula

Verb +
what you're going to do +
so that / in order to

Example

Deliver a "must-have" product in order to delight customers and grow our user base

Key Results

Questions to ask

- How will we know if we're successful?
- How can we measure the impact of our work?
- What metric or outcome would let us measure definitively if we were successful?
- What is our best-case scenario for achievement on that measure?

Formula

Verb +
what you're going to track / count +
from x to y

Example

Increase our NPS score from 40 to 50

Initiatives

Questions to ask

- What do we need to do in order to be successful?
- What can we get done in this period?
- Who needs to be involved?

Formula

Verb +
what you're going to do

Example

Build a dashboard to track UX performance

How to refine & finalize OKRs...

Reviewing drafted OKRs

- ✓ Does each Objective still hold true to the drafted Key Results?
- ✓ Will we be able to see progress on each of our Key Results in this time frame?
- ✓ Do we have the right owners, delegates, and check-in owners identified who will feel accountability for driving progress?
- ✓ Can our team directly impact these Key Results or are we reliant on stakeholders? If the latter, can we make this a shared OKR?
- ✓ Are there any projects, outcomes, or priorities our team is accountable for that aren't reflected here?

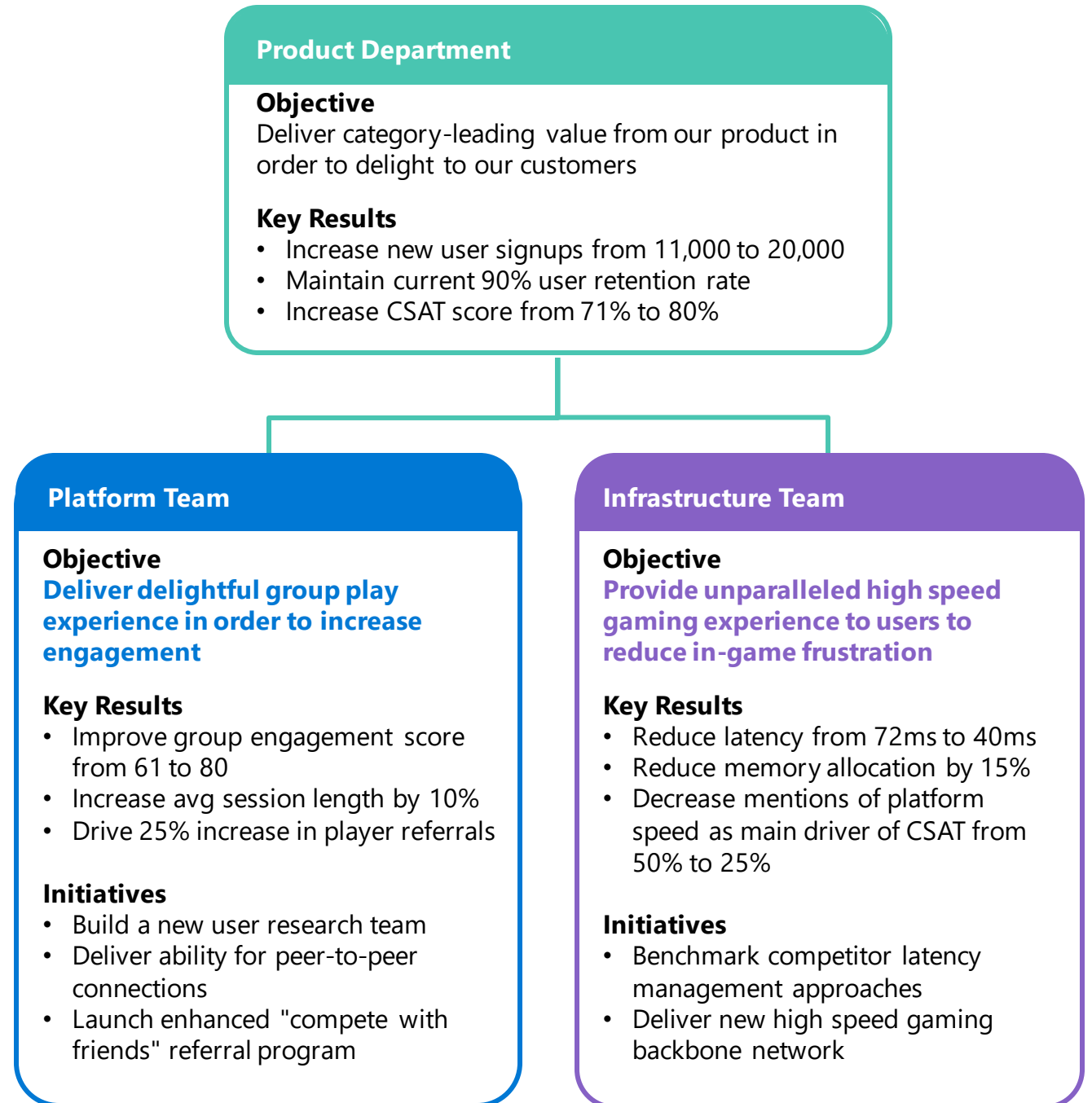
Finalizing OKRs

- ✓ Are all these Key Results *necessary* to achieve our Objective (eg if we fall short on any of these KRs, is there a chance we will still feel we accomplished our Objective)?
- ✓ Will accomplishing these Key Results be *sufficient* to achieve our Objective (eg if we achieve all our KRs, can we assert we accomplished our Objective)?

Sample OKRs

Example of an OKR alignment between teams

See the resources page for our OKR cheatsheet and more examples



Sample OKRs

Individual Team Examples: Product and Engineering

*See the resources page for our OKR cheatsheet
and more examples*

Objective:

Deliver a “must have” product in order to delight customers and grow our user base.

Key Result 1:

Increase our NPS score from 40 to 50.

Key Result 2:

Increase daily active users (DAUs) from 1,200 to 1,500.

Key Result 3:

Achieve 1,000 downloads in the app store.

Initiative 1:

Launch mobile version of product.

Initiative 2:

Develop bug tracker for mobile complaints.

Sample OKRs

Individual Team Examples: Human Resource Managers

See the resources page for our OKR cheatsheet and more examples

Objective:

Increase employee retention in order to do our best work.

Key Result 1:

Reduce voluntary attrition from 30% to 10%.

Key Result 2:

Increase ratio of open positions filled internally vs externally from 30% to 50%.

Key Result 3:

100% of our employees have a standardized career plan approved by HR.

Initiative 1:

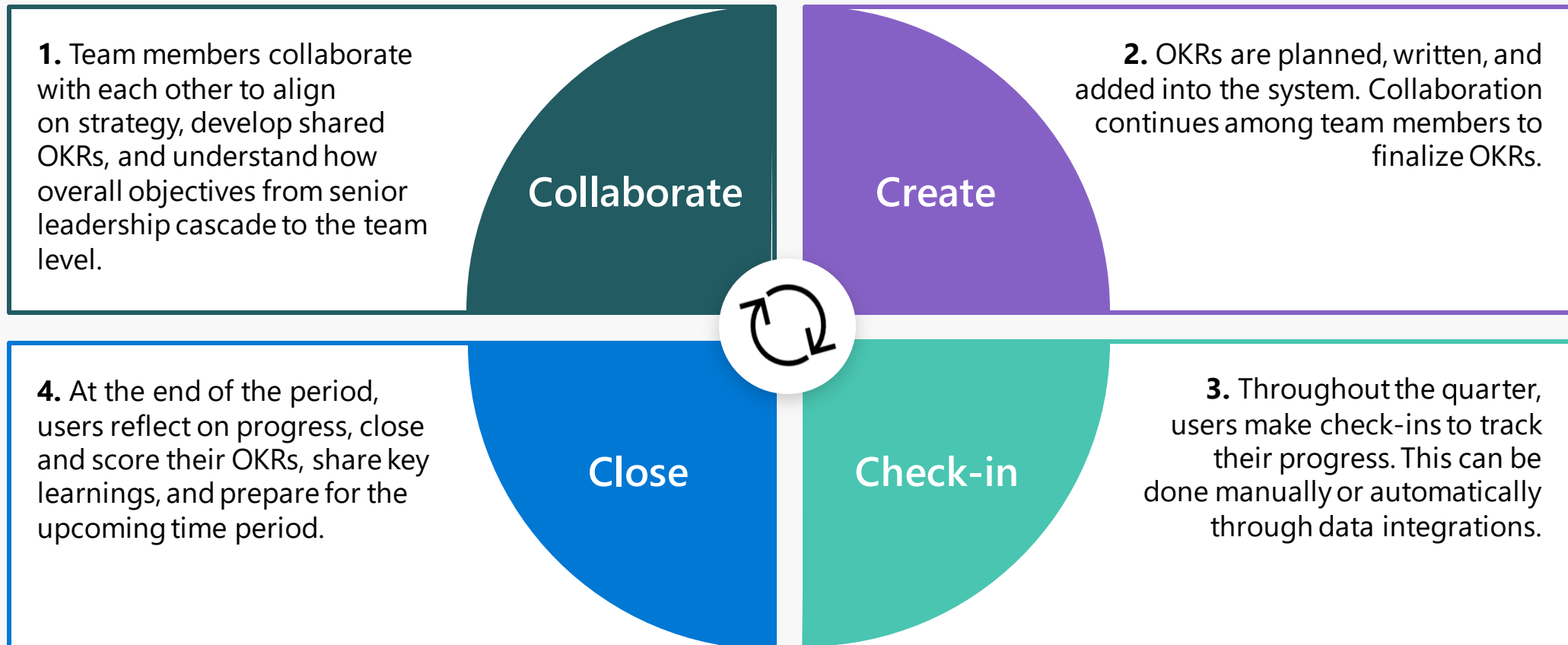
Revamp our exit interview to better capture reasons for leaving.

Initiative 2:

Offer 5 new courses for internal career development.

OKR Rhythm of Business

OKRs follow a rhythm of business over a certain time period, generally recommended to be quarterly, with the following 4 steps:



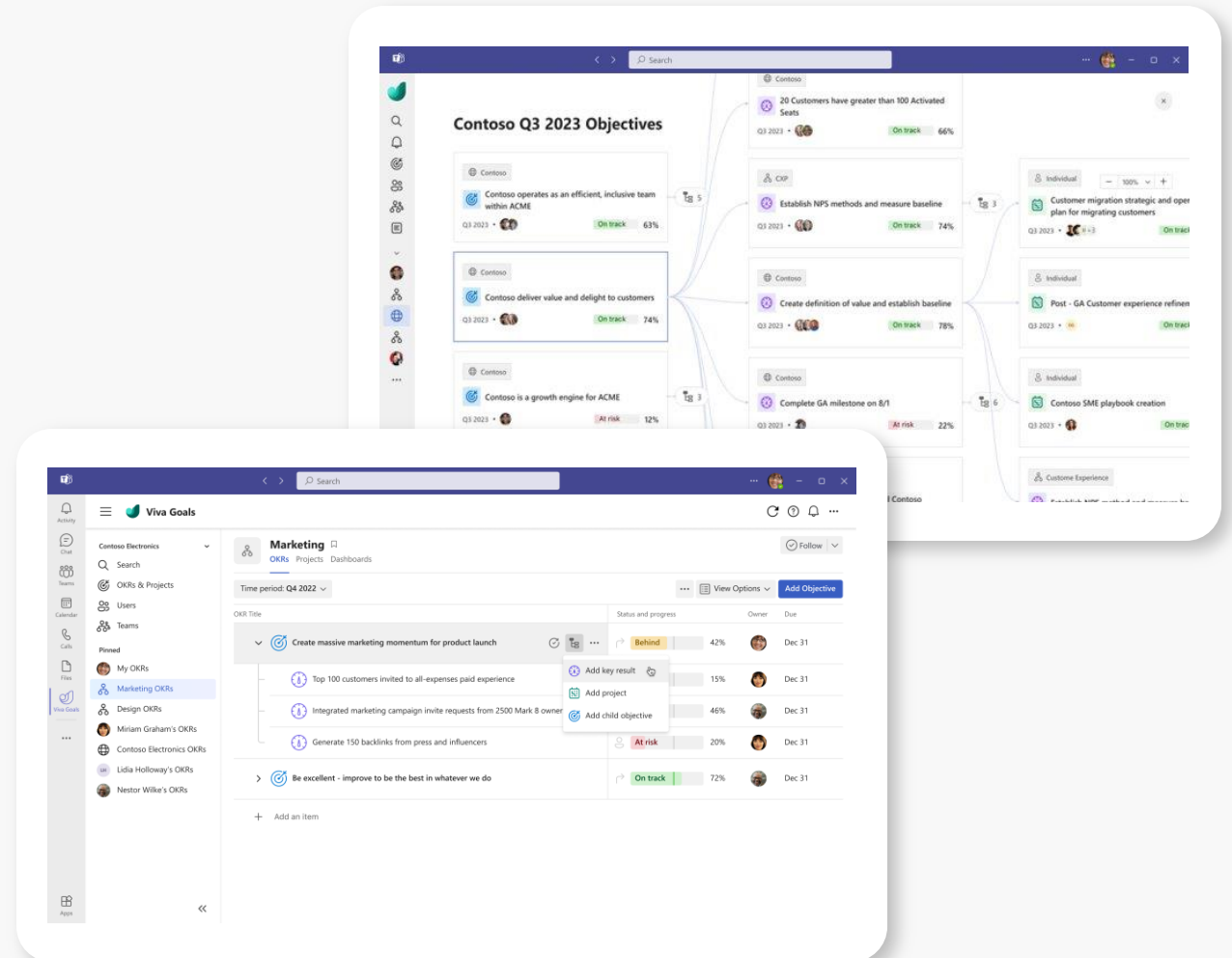
Viva Goals: Making the OKR framework ... work

Collaborate

Viva Goals is a goal and OKR management solution designed to help leaders and teams create, manage, and track organizational goals. Use **alignment view** to understand how overall objectives from senior leadership cascade to the team level.

Create

Add team objectives and key results in the Viva Goals **OKR list view** to stay aligned and focused at scale and drive measurable business results.



Viva Goals: Making the OKR framework ... work

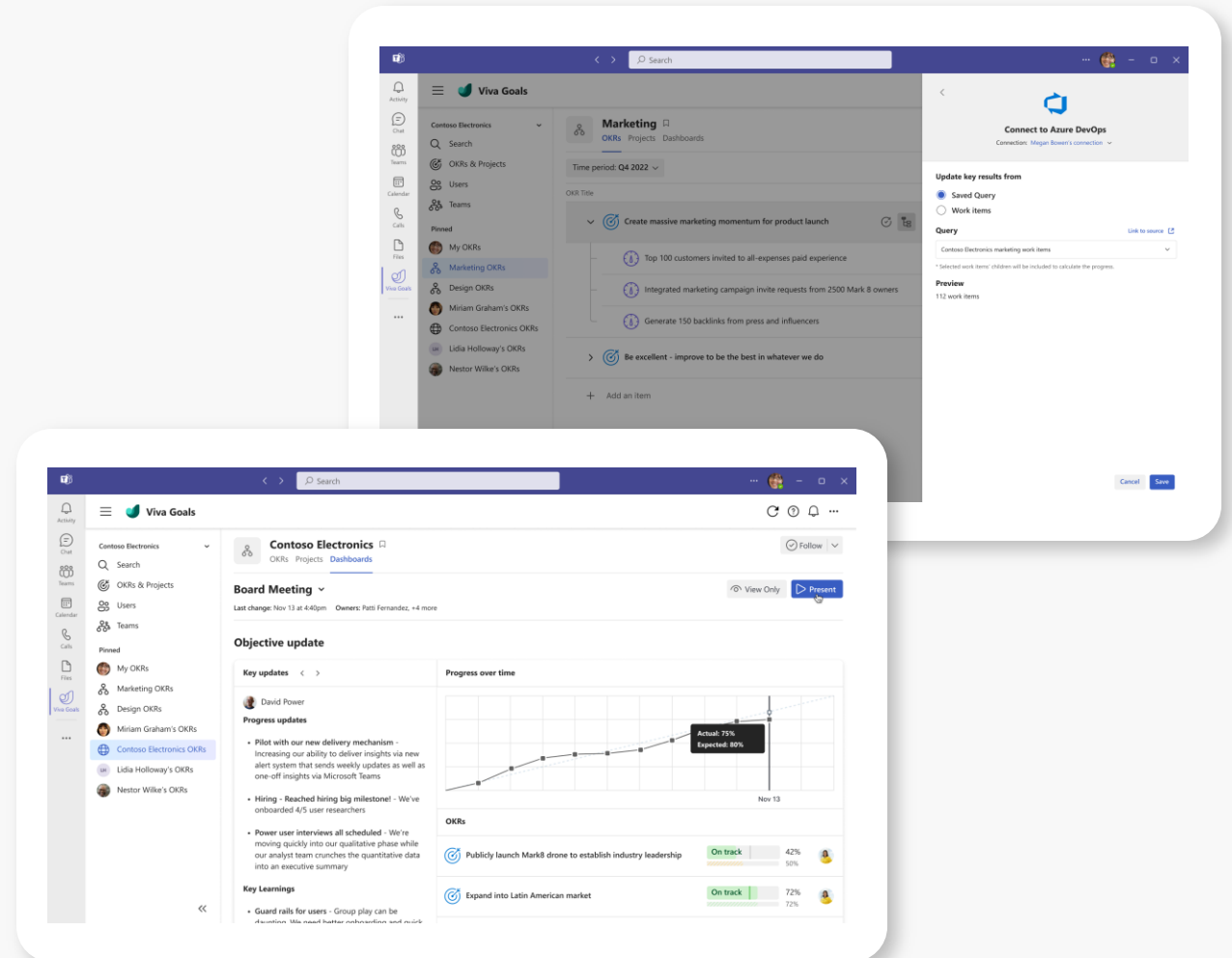
Check-in

Bring goals into the flow of everyday work by integrating OKRs with the tools you're already using, such as Microsoft Teams.

Automate updates from critical work systems, such as [Azure DevOps](#), so goals are always top-of-mind.

Close

Reflect on progress, close and score OKRs, and share key learnings via [dashboards](#) to prepare for the next time period.



Viva Goals: Personas and Training Paths



Business Leader

Leader who drives company, group, or team strategy, creates and approves team / organizational goals, and reviews progress.

Recommended Training:
[Viva Goals Quick Start](#)

Typical titles: C-suite, Vice President, General Manager



Champion

Central expert and axis that keeps programs on track and connected. Drive overall program and rhythm of business across the entire organization (or multiple teams).

Recommended Training:
[OKR Leadership Program](#)

Typical titles: Chief of Staff, Planning Lead, Strategy & Operations



Planning Manager

Individuals and team managers who drive planning & tracking process on a given team. They ensure check-ins, reporting, and meetings follow prescribed rhythm of business.

Recommended Training:
[OKR Leadership Program](#)

Typical titles: Team Manager, Business Manager, Chief of Staff, Data Analytics Manager



Goal Owner

Users who own goals and are accountable to drive and report progress on goals.

Recommended Training:
[Viva Goals Quick Start](#)

Typical titles: Anything from Individual Contributor to Vice President or beyond



Stakeholder

Users who engage with updates on progress of goals.

Recommended Training:
[Viva Goals Quick Start](#)

Typical titles: Anything from Individual Contributor to Vice President or beyond



Tech Admin

User who does the technical setup & responsible for managing the software and ensures licenses are assigned and security/compliance needs are met.

Recommended Training:
[Intro to Viva Goals \(Admin\)](#)

Typical titles: IT Admin, Technical Operations

Frequently Asked Questions

Here are some of the top questions new users want to know.

Q: I already have so much on my plate. Will OKRs add more work?

A: Don't worry, you don't need to be an OKR expert to get started. Many people share that feeling of overwhelm at work, but OKRs actually *save* time by keeping you focused on just 3-5 goals so you can give more attention to what matters most.

Q: My company already has strategic goals. Do I need to convert them all to the OKR formula?

A: If you're just getting started and already have strategic goals for your company, it's far more important to make initial progress, enter them into Viva Goals, and build on them, rather than get hung up trying to craft the perfect metric.

We strongly urge focusing on progress over perfection, so it's ok to keep things simple at first. Over time, you may find the suggested structure of the OKR framework will allow you to craft more aspirational Objectives and measurable Key Results.

Q: My department is already tracking data elsewhere. Do I still need OKRs?

A: One benefit of OKRs is that leadership and employees alike can get a single, holistic view that reflects progress and opportunities *across* the organization. This is difficult if data is siloed in each department. The good news is, you won't need to duplicate your efforts as native integrations will pull from existing data and seamlessly connect your efforts to updates.

Q: Will OKRs distract me with frequent check-ins?

A: Checking in on OKRs takes just a few minutes and can catch issues or roadblocks in real-time instead of waiting for an end of quarter review to notice something's gone awry.

Organizations generally check in weekly or bi-weekly, and they'll quickly become a simple part of your workflow, letting you continuously fine-tune and improve to deliver impact to your business.

Frequently Asked Questions

Here are some of the top questions new users want to know.

Q: How do Key Results differ from KPIs?

A: OKRs don't replace KPIs, they complement and utilize them. KPIs (Key Performance Indicators) correspond to the detailed metrics within an organization that facilitates the delivery of a project. Meanwhile, Key Results are tied to Objectives and represent the business goals to be achieved.

Example:

- **Objective:** Elevate our brand presence in order to attract new prospects and create a fiercely loyal customer following.
- **Key Result:** Increase website traffic from 300,000 to 500,000 page views.
- **KPI:** 99.5% website uptime.

Note: The KPI is important – you can't increase brand visibility if the website is down – but the true goal, the Key Result outcome, is to increase traffic.

Q: How do I know if my OKRs are any good?

A: The practice of OKRs emphasizes progress over perfection. Getting started, even with "less than perfect" OKRs, is the most important thing. Here are ways to get better:

- Use monthly reviews and end of quarter reflection periods to review your OKRs and look for areas of improvement
- Ask co-workers to review your OKRs to make sure they are clear, concise, and measurable from an outsider's perspective, or lean on your OKR Champion for advice
- Follow the OKR writing formula in this presentation, as well as the OKR cheatsheet in the resources to structure your OKRs properly
- Draw inspiration from Sample OKRs broken out by department within the product and in the resources.
- To emphasize once more, your OKR quality will improve each time you write them, so getting started with imperfect OKRs is better than not getting started at all

Additional Resources

Ready to learn more about OKRs? Check out these resources.

[Guide to OKRs](#)

Our Solutions area has information about goal setting, OKR formulas, improving your OKR writing, and more.

[OKR Leadership Program](#)

Online training for OKR Champions to become familiar with the role of the OKR Champion, as well as OKR writing, ensuring program success, and an introduction to Viva Goals.

[Microsoft Viva Goals Help and Support](#)

Help and support documentation.

[OKR Writing Cheatsheet](#)

How to write effective OKRs that inspire action and deliver results.



Thank you