

# Book Review & Analysis

## MEASURE WHAT MATTERS, by John Doerr

### Reviewed by Tom Deaderick, SEP 1, 2023

#### Objective(s)

- Summarize the book, extracting the most useful elements for others
- Relate the book's methods to our processes and challenges for discussion and implementation.

#### Legend

Excerpts from the book are in black with page numbers.

Commentary is in blue.

#### Prerequisite definitions

##### Project

A deliverable, that is clearly defined within a scope of work, that creates value to the company with a start and end date. Projects should be reviewed and approved by Manager and Director. Both Projects and Processes create value to the company, however a Project has a defined start and stop date, while Processes are ongoing.

#### Why this is important?

Achieving continuous improvement (e.g. "factory" improvements) requires allocation of resources (people, time, etc.).

All resources are finite; "multitasking" is a misleading concept. People can only truly focus on one task at a time, and switching between tasks increases switching costs (the time required to ramp back up on a process that was temporarily set aside).

Resources withdrawn temporarily from operations must successfully deliver the targeted value in exchange for the lost operational productivity.

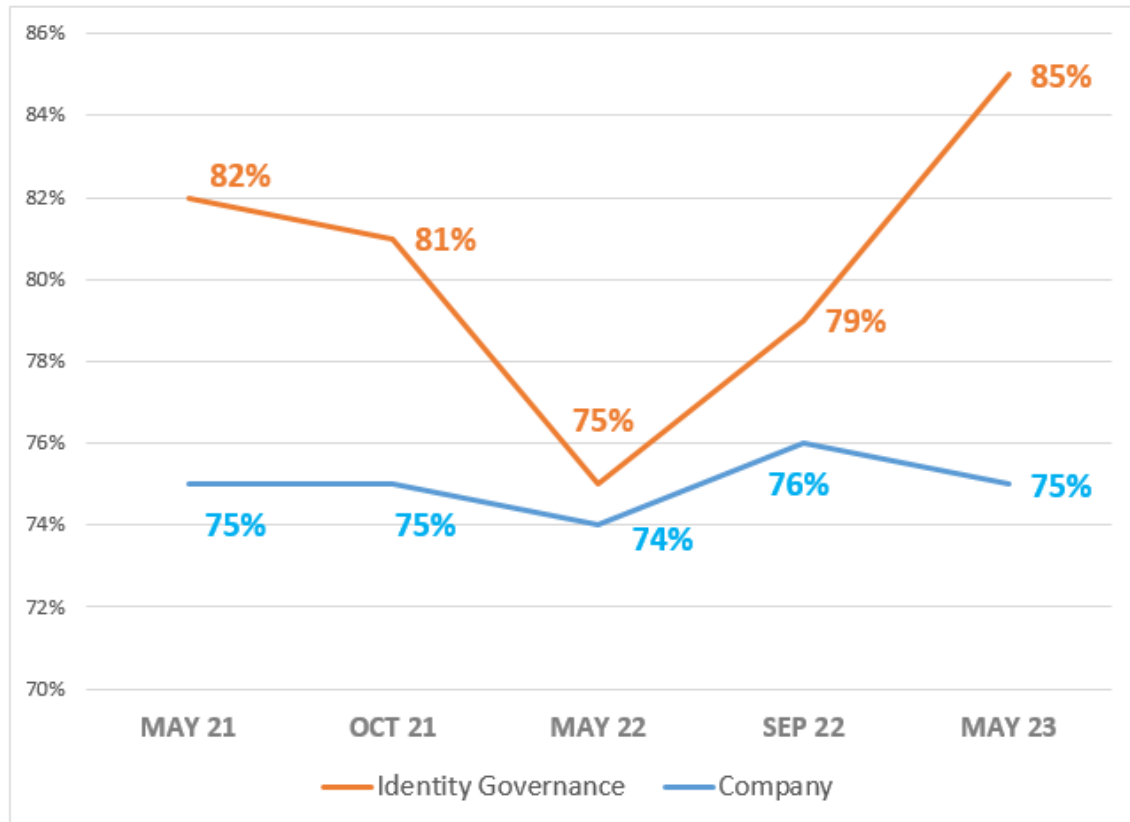
The Identity Governance Strategic Involvement (IDG SI) Program has identified objectives that improve operations ("factory") and these require structure to ensure the objectives are met.

IDG will use the Objectives & Key Results (OKR) process described in this book and paper.

"Ideas are easy, Execution is everything." (p. 6)

The team with the best strategy often falls short of the team with the best execution (implementation). Good strategies **and** good execution have made IDG successful.

"Gallup surveys attest to a worldwide employee engagement crisis. Less than a third of U.S. workers are involved in, enthusiastic about, and committed to their work and workplace." (p. 10).



IDG: Employee Engagement Results

## Objectives

An Objective is **what** you want to accomplish.

"An OBJECTIVE is simply WHAT is to be achieved, no more or less. By definition, objectives are significant, concrete, action oriented, and (ideally) inspirational." (p.7)

## Key Results

Key Results are **how** you intend to accomplish the objective.

"KEY RESULTS benchmark and monitor HOW we get to the objective. Effective KRs are specific and time-bound, aggressive yet realistic. Most of all, they are measurable and verifiable." (p. 7)

## Writing Effective OKRs (p. 256 - 257)

### Objectives (What)

- express goals and intents;
- are aggressive yet realistic;
- must be tangible, objective, and unambiguous - should be obvious to a rational observer whether an objective was achieved;
- the successful achievement of an objective must provide clear value for the company.

## Key Results (How)

- express measurable milestones which, if achieved, will advance objective(s) in a useful manner;
- describe outcomes, not activities. Words like 'consult', 'help', 'analyze', or 'participate' describe activities. Instead, describe the end-user impact of the activities: 'publish average latency measurements by March 7' rather than 'assess latency';
- include evidence of completion. This evidence must be available, credible, and easily discoverable.

## Familiar concept: "Management by Objectives"

Most companies rely on Management By Objectives (MBOs). Objectives are set by executive leadership, cascaded to managers and translated, as closely as possible, into implementation actions.

"Eventually though, the limitations of MBOs caught up with them. At many companies, goals were centrally-planned and sluggishly trickled down the hierarchy. At others, they became stagnant for lack of frequent updating; or trapped and obscured in silos; or reduced to key performance indicators (KPIs), numbers without soul or context." (p. 25)

## Comparison: MBOs vs OKRs

MBOs	Intel OKRs
"What"	"What" and "How"
Annual	Quarterly or Monthly
Private and Siloed	Public and Transparent
Top-down	Bottom-up or Sideways
Tied to compensation	Divorced from compensation
Risk averse	Aggressive and Aspirational

## MBO weaknesses

Although either system (MBO or OKR) could be driven toward deliverables rather than activity. MBO goals can often become focused on activities. This should be avoided in either model.

"Andy Grove (Intel CEO) sought to 'create an environment that values and emphasizes output' and to avoid what Peter Drucker termed the 'activity trap': 'Stressing output is the key to increasing productivity, while looking to increase activity can result in just the opposite.'" (p. 26)

"At Intel, Andy recruited 'aggressive introverts' in his own image, people who solved problems quickly, objectively, systematically, and permanently." (p. 26)

"Every knowledge worker in the company formulated monthly individual objectives and key results." (p. 27)

"In moderation, cascading makes an operation coherent. But when all objectives are cascaded, the process can degrade into a mechanical, color-by-numbers exercise, with four adverse effects:

**A loss of agility.** Even medium-size companies can have six or seven reporting levels. As everyone waits for the waterfall to trickle down, and meetings and reviews sprout like weeds, each goal cycle can take weeks or even months to administer. Tightly cascading organizations tend to resist fast and frequent goal-setting. Implementation is so cumbersome that quarterly OKRs may prove impractical.

**A lack of flexibility.** Since it takes so much effort to formulate cascaded goals, people are reluctant to revise them mid-cycle.

**Marginalized contributors.** Rigidly cascaded systems tend to shut out input from frontline employees. In a top-down ecosystem, contributors will hesitate to share goal-related concerns or promising ideas.

**One-dimensional linkages.** While cascading locks in vertical alignment, it's less effective in connecting peers horizontally across departmental lines.

### **Bottoms Up!**

"Precisely because OKRs are transparent, they can be shared without cascading them in lockstep. If it serves the larger purpose, multiple levels of hierarchy can be skipped over. Rather than laddering down from the CEO to a VP to a Director to a Manager (and then to the Manager's direct reports), an objective might jump from the CEO straight to a Manager, or from a Director to an individual contributor. Or the company's leadership might present its OKR to everyone at once and trust people to say, 'Okay, now I see where we are going, and I will adapt my goals to that'". (p. 86)

"Having goals improves performance. Spending hours cascading goals up and down the company, however, does not..." (p. 87)

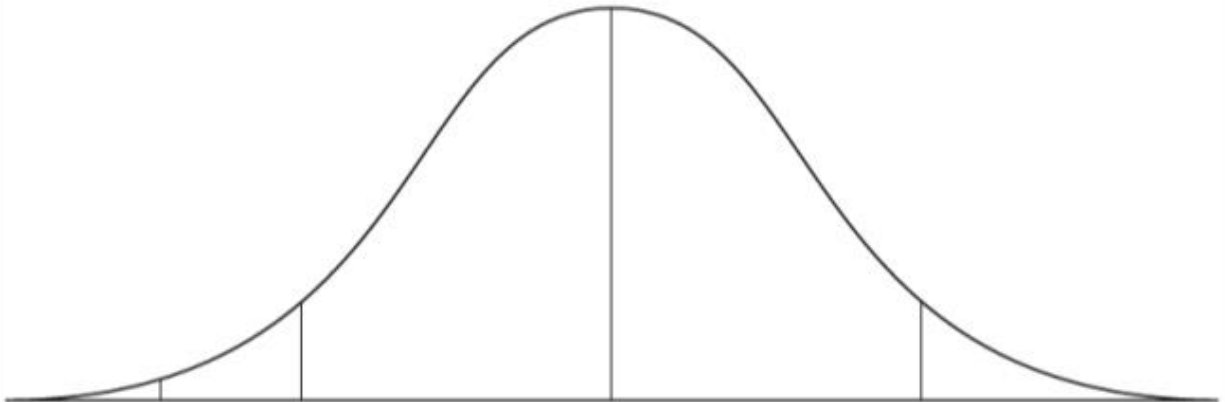
### **Implementation plan**

Each person has natural tendencies that influence technology adoption. Both early and late adopters perform best when they are permitted to move forward at their natural pace. Whenever possible, **pressing** people to adopt early should be minimized.

At this point, IDG intentionally wants optional **personal adoption** (as described above). IDG will adopt the OKR methodology **as a department** (specifically for implementation of the IDG SI Program Ideas), and this will create excitement for early adopters and unavoidable stress for late adopters.

### The Technology Adoption Curve

As captured by Everett Rogers in his book *Diffusion of Innovations*, people tend to adopt new technologies at varying rates. Their relative speed of adoption can be plotted as a normal distribution, with the primary differentiator being individuals' psychological disposition to new ideas.



#### Innovators

(2.5%) are risk takers who have the resources and desire to try new things, even if they fail.

#### Early Adopters

(13.5%) are selective about which technologies they start using. They are considered the "one to check in with" for new information and reduce others' uncertainty about a new technology by adopting it.

#### Early Majority

(34%) take their time before adopting a new idea. They are willing to embrace a new technology as long as they understand how it fits with their lives.

#### Late Majority

(34%) adopt in reaction to peer pressure, emerging norms, or economic necessity. Most of the uncertainty around an idea must be resolved before they adopt.

#### Laggards

(16%) are traditional and make decisions based on past experience. They are often economically unable to take risks on new ideas.

Source: [Everett Rogers' Innovation Adoption Lifecycle](#)

### Less is more

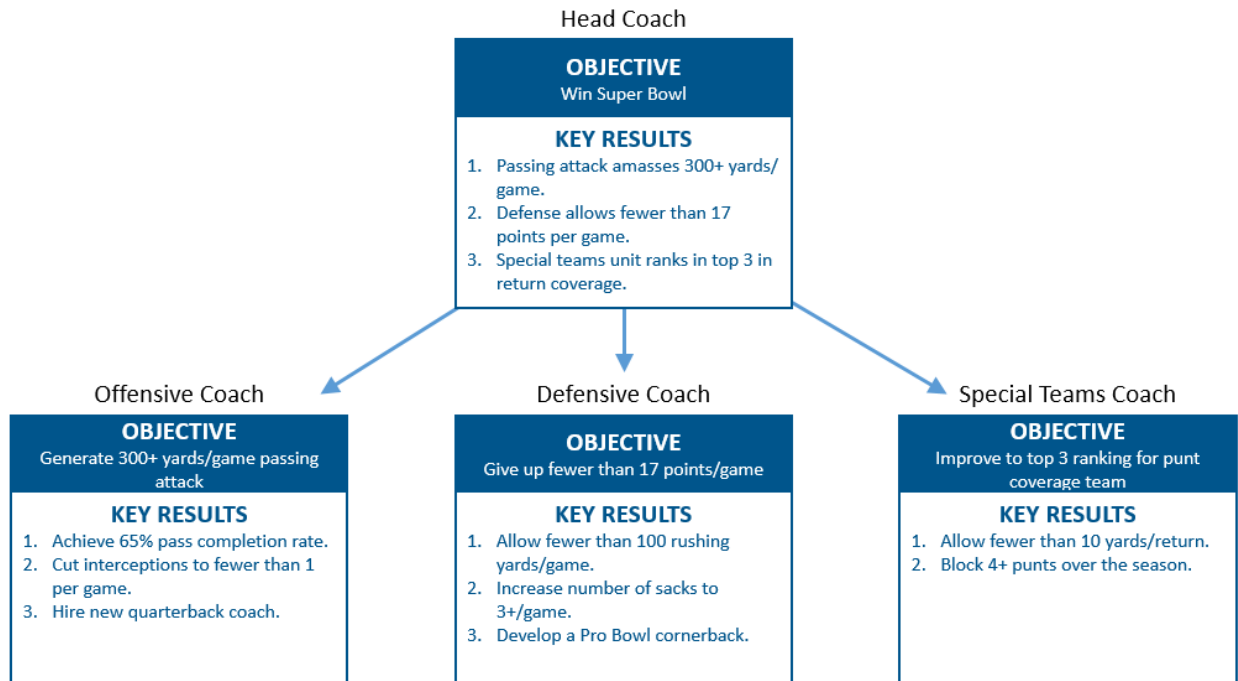
"A few extremely well-chosen objectives impart a clear message about what we say 'yes' to and what we say 'no' to. A limit of three to five OKRs per cycle leads companies, teams and individuals to choose what matters most. In general, each objective should be tied to five or fewer key results." (p. 33)

**"Set goals from the bottom up.** To promote engagement, teams and individuals should be encouraged to create roughly half of their own OKRs, in consultation with managers. When all goals are top-down, motivation is corroded." (p. 33)

**"Stay flexible.** If the climate has changed and objective no longer seems practical or relevant as written, key results can be modified, or even discarded mid-cycle." (p. 33)

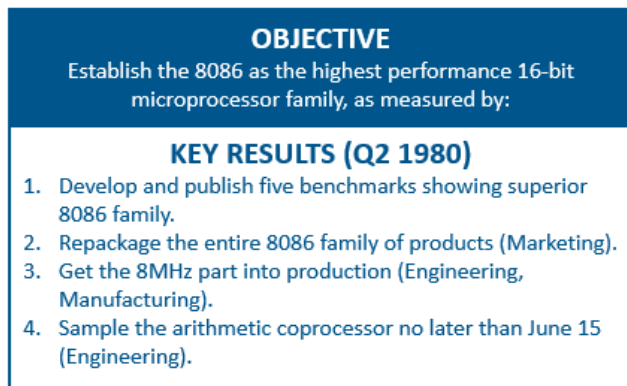
"When people help choose a course of action, they are more likely to see it through." (p. 25)

## Sample OKRs

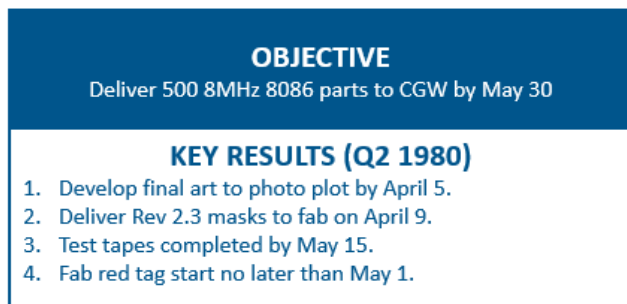


## Examples of Intel's Corporate and Engineering Department OKRs

INTEL Corporate



### Engineering Department



There is a tendency for executive leadership to view higher-level objectives as "strategic" with "tactics" (implementation) cascaded down the company hierarchy. One excellent aspect of the OKR methodology is that each level of the company, even to the individual level, has essentially a "strategy" (Objective) and "tactics" (Key Results).

The examples above illustrate the OKRs for Intel at a corporate level and within a single department. The objectives of the engineering department support the corporate objectives as would the OKRs of other departments.

"In a survey of 11,000 senior executives and managers, a majority couldn't name their company's top priorities. Only half could name even one." (p. 50)

"Leaders must get across the **why** as well as the **what**. *Their people need more than milestones for motivation.* They are thirsting for meaning, to understand how their goals relate to the mission." (p. 50)

"When you're tired of saying it, people are starting to hear it." (p. 50)

### OKR Quality

"Don't allow the perfect to be the enemy of the good. - Voltaire"

**Table 4.2: An OKR Quality Continuum**

Weak	Average	Strong
<p><b>Objective</b> Win the Indy 500</p> <p><b>Key results</b></p> <ul style="list-style-type: none"> <li>- Increase lap speed</li> <li>- Reduce pit stop time</li> </ul>	<p><b>Objective</b> Win the Indy 500</p> <p><b>Key results</b></p> <ul style="list-style-type: none"> <li>- Increase average lap speed by 2 percent.</li> <li>- Reduce average pit stop time by one second.</li> </ul>	<p><b>Objective</b> Win the Indy 500</p> <p><b>Key results</b></p> <ul style="list-style-type: none"> <li>- Increase average lap speed by 2 percent.</li> <li>- Test in wind tunnel 10 times.</li> <li>- Reduce average pit stop time by one second.</li> <li>- Reduce pit stop errors by 50 percent.</li> <li>- Practice pit stops for one hour each day.</li> </ul>

Which objective is more likely to be achieved? The stronger OKR provides greater focus.

"Innovation means saying 'No' to one thousand things. - Steve Jobs" (p. 55)

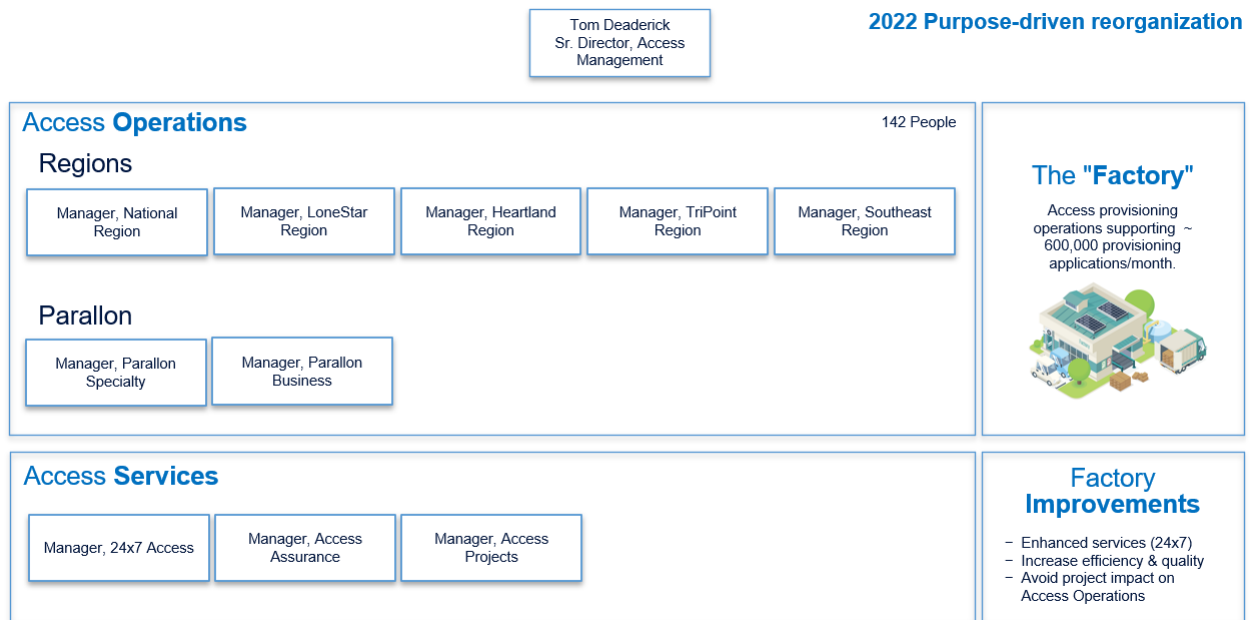
"In a high-functioning OKR system, **top-down mandates to 'just do more' are obsolete.**" (p. 56)

Deaderick: In my career, I have seen many managers hand down multiple urgent tasks, with the guidance to employees being, "just do your best to cover **all** of them".

This is poor management. When management does this, they effectively disengage from the company's strategic direction and leave it to employees. This leaves managers free to later criticize the choices employees make, without the need to make hard choices themselves.

IDG's reorganization in 2022 was a demonstration of **purposeful leadership**.

Each team was focused in specialized area with the number of people in each team purposefully determined by the work effort required. Additionally, the specialization has improved consistency for operations, process integrity and projects and created additional disciplines for employee's professional development.



This specialization and purposeful resourcing has replaced the previous "just do more" processes.

### OKR Benefits

"OKRs surface your primary goals." (p. 8)

"In Google's early years, Larry Page set aside two days per quarter to personally scrutinize the OKRs for every software engineer." (p. 13)

### Benefit #1: Focus and Commit to Priorities

"The one thing an OKR system should provide is focus. This can only happen if we keep the number of objectives small...**Each time you make a commitment, you forfeit your chance to do something else.** This, of course, is an inevitable, inescapable consequence of allocating **any** finite resource. People who plan must have the guts, honesty, and discipline to drop projects as well as to initiate them, to shake their heads 'no' as well as to smile 'yes'...We must realize and act on that realization - that if we try to focus on everything, we focus on nothing." (p. 56)



"We don't hire smart people to tell them what to do. We hire smart people so they can tell us what to do. - Steve Jobs" (p. 77)

"High-performance organizations home in on work that's important, and are really clear on what doesn't matter. OKRs impel leaders to make hard choices." (p. 16)

"The intrinsic value of OKRs is the discipline they instill within us." (p. 203)

"They train us to be thoughtful about what we can actually achieve, and to instill the same outlook in our executive team and their teams. Early in your career, when you're an individual contributor, you're graded on the volume and quality of your work. Then one day, you're a manager. You do well and move up to manage more people. You're no longer paid for the amount of work you do, you're paid for the quality of your decisions. When you hit a wall, you try working harder because that has served you in the past, but what you should do is counter-intuitive: Stop for a moment and shut out the noise." (p. 203)

"The point of objectives and key results, after all is to get everyone working on the right things." (p.123)

Which team is this?

"We don't need that. We go super-fast. We just figure stuff out." (p. 203)

The project team that repeatedly made this claim produced an incident, and their project was restarted from scratch.

One of Murphy's Laws: "There is never time to do it right, but always time to do it over."

## **Benefit #2: Align and Connect for Teamwork**

"With OKR transparency, everyone's goals - from the CEO down - are openly shared. Individuals link their objectives to the company's game plan, identify cross-dependencies, and coordinate with other teams. By connecting each contributor to the organization's success, top-down alignment brings meaning to work. By deepening people's sense of ownership, bottom-up OKRs foster engagement and innovation." (p. 17)

"OKRs are inherently action-oriented. But when action is relentless and unceasing, it can be a hamster wheel of grim striving."

IDG experienced this in 2022. In the early months of 2022 eSAF (the IGA) was unstable.

IDG's ability to find workarounds for broken functionality was crucial in minimizing the impact. Those outside Identity & Access (I&A) perceived only that eSAF was broken, and to a great extent failed to distinguish the amazing efforts of IDG that substantially reduced company-wide impact.

The large team of in-house Coordinators helped overcome the eSAF upgrade issues, unlike other enterprise-scale upgrades which lacked such a large and dedicated in-house support team, and this, is likely the reason the business impact of those other upgrades was so extensive.

The effort however, was exhausting, and in the last half of the year IDG completed reorganization of the entire department to create the specialization and purposeful focus needed to achieve greater efficiency and system integrity.

Change incurs costs on people, and must not be undertaken except when improvements are clear. Unrestrained change edicts by leadership demoralize and weaken the team.

The speed of any change should be like achieving the fastest acceleration in a car. Press the pedal hard enough to accelerate at the limits of the car, and back from the level at which the tires slip and spin, creating more friction and less acceleration.

"In a world where computing power is nearly limitless, the true scarce commodity is increasingly human attention. - Satya Nadella, Microsoft CEO." (p. 161)

### **Benefit #3: Track for Accountability**

"OKRs are driven by data. They are animated by periodic check-ins, objective grading, and continuous reassessment - all in a spirit of no-judgment accountability." (p. 17)

"Contributors are most engaged when they can actually see how their work contributes to the company's success." (p. 114)

### **Regarding the software used for OKRs**

"As the bar for structured goal setting rises, more organizations are adopting robust, dedicated, cloud-based, OKR management software. The best-in-class platforms feature mobile apps, automatic updating, analytics reporting tools, real-time alerts and integration with Salesforce, JIRA and ZenDesk. With three or four clicks, users can navigate a dashboard to create, track edit, and score their OKRs.

These platforms deliver transformative OKR values:

*They make everyone's goals more visible.* Users gain seamless access to OKRs for their boss, their direct reports, and the organization at large.

*They drive engagement.* When you know you're working on the right things, it's easier to stay motivated.

*They promote internal networking.* A transparent platform steers individuals to colleagues with shared professional interests.

*They save time, money, and frustration.* In conventional goal setting, hours are wasted digging for documentation in meeting notes, emails, documents, etc." (p. 114-115)

There is a tendency to focus too much on tools used for a process and too little on the process itself. Once a good process is established, the optimum features of supporting tools are more apparent. *When a new process is deployed with a new application, the application's features drive the process.* There are some negative ramifications of this.

The application's needs often come **before** the process' needs. Time spent adapting to the application's features distracts from development of the optimum process. Thus, the ideal time to focus on the application that will support a new process is **after** the process is developed and executed in a pilot phase. This allows everyone to better understand what is and what is not important.

Selection of any application inside a large company involves substantially more risk than a small company's choices, thus the most commonly-used applications are

those already in place, such as the Microsoft Office products. These are rarely the most efficient, and may require more labor, but the risk of introducing a specialized product into the environment can outweigh the labor cost.

#### **Benefit #4: Stretch for Amazing**

"OKRs motivate us to excel by doing more than we'd thought possible. By testing our limits and affording the freedom to fail, they release our most creative, ambitious selves." (p. 17)

"Hard goals drive performance more effectively than easy goals. *Specific* hard goals produce a higher level of output than vaguely worded ones." (p. 9)

"The single greatest motivator is making progress in one's work. The days that people make progress are the days they feel most motivated and engaged. - Daniel Pink, author of DRIVE (p. 117)

The Identity Governance Strategic Involvement (IDG SI) Program has already surfaced the insights of people who are hands-on with the provisioning work. The ideas rising are focused on continual improvement with an experience-based understanding of which areas create the greatest pain and opportunity.

In a business context, autonomy is the freedom to develop a solution to a problem without excessive direction (e.g. "micromanagement").

#### **Autonomy and accountability are two sides of a coin.**

People earn autonomy by demonstrating accountability.

When leadership finds a person, or a team of people, or a department of people, that consistently make good choices in solving problems, and then tenaciously drives to implement the solutions, leadership has less need to micromanage. No effective leader enjoys micromanagement. It is a clear indicator of a manager's failure to instill and nourish accountability within the team.

#### **Benefit #3: Track for Accountability**

"The objective is the direction: 'We want to dominate the mid-range microcomputer component business'. That's an objective, that's where we are going to go. Key results for this quarter: 'Win ten new designs for the 8085' is one key result. It's a milestone. The two are not the same.

The key result has to be measurable. By the end you can look, and without any arguments: Did I do that or did I not do it? Simple. No judgments in it." (p. 23)




#### **Scoring (p. 120)**

"On state-of-the-art" goal management platforms, OKR scores are system-generated; the numbers are objective, untouched by human hands, whereas with less automated, homegrown systems require users to perform their own calculations. The simplest, cleanest way to score an objective is by averaging the percentage completion rates of its associated key results."

This is not true. It is not the system that ensures objective measures, it is the diligence of the people that code the measures. An Excel spreadsheet that collects data and tabulates a metric is objective. A system that is interfaced directly to the production measures would certainly be more objective, but such interfaces are typically impractical. **The quality of a metric is directly linked to the diligence and insight of the person that designs it, not a system.**

IDG will adopt the standard below.





#### Google's Metrics

Color	Percent complete	Description
	70 – 100%	"We delivered!"
	40 – 69%	"We made progress, but fell short of completion."
	0 – 39%	"We failed to make real progress."

#### INTEL Corporate

**OBJECTIVE**  
Establish the 8086 as the highest performance 16-bit microprocessor family, as measured by:

**KEY RESULTS (Q2 1980)**

1. Develop and publish five benchmarks showing superior 8086 family. [60%] 
2. Repackage the entire 8086 family of products (Marketing). [100%] 
3. Get the 8MHz part into production (Engineering, Manufacturing). [0%] 
4. Sample the arithmetic coprocessor no later than June 15 (Engineering). [90%] 

#### Background (p. 121-122)

We completed three of five benchmarks for a 60%, a borderline green.

We repackaged the 8086 family, under a new product line called iAPX. So that's 100%.

Production of the 8MHz part, set for early May was a fiasco and was pushed to October. That's a zero.

As for the arithmetic compressor, the goal was to ship 500 parts by June 15. We shipped 470, which yields 90% (green)."

"In the end, the numbers are probably less important than contextual feedback and a broader discussion within the team." (p. 124)

## Breaking down the book

This is not a book that I would recommend to others. It is poorly written and disorganized. It has three main elements, although the author fails even to organize them himself.

- OKR description and rationale
- Stories of companies that leveraged OKR
- Comparison of annual reviews vs continual feedback

The author appears to have added the last two aspects to make the book long enough to sell.

The OKR concept is simple and straightforward and could easily have been presented in a brief paper, like this one.

The stories of other companies that leverage the OKR methodology are somewhat successful in encouraging the reader to try the methodology given the successes within those companies, but also could have been much better organized with each anecdote taking two pages rather than whole chapters.

The comparison of annual reviews to continual feedback processes has little relevance to the OKR methodology and shares little that is not already recognized as solid management methodology.

This book review collects the most relevant and useful quotes from the latter two sections below. There are some aspects that are interesting, they just are not essential to the OKR methodology.

"A wise man can learn more from a foolish question than a fool can learn from a wise answer."

-Bruce Lee

## Performance reviews

"Annual performance reviews are costly, exhausting, and mostly futile. On average, they swallow 7.5 hours of manager time for each direct report. Yet only 12 percent of HR leaders deem the process "highly effective" in driving business value. Only six percent think it's worth the time it takes. Distorted recency bias, burdened by stack rankings and bell curves, these end-of-year evaluations can't possibly be fair or well-measured." (p. 175)

## CFRs

*Conversations*: an authentic, richly textured exchange between manager and contributor, aimed at driving performance.

*Feedback*: bidirectional or networked communication among peers to evaluate progress and guide future improvement.

*Recognition*: expressions of appreciation to deserving individuals for contributions of all sizes.

"Ten percent of Fortune 500 companies have already ditched the old once-a-year performance review system, and their numbers are growing. Countless smaller start-ups, less tied to tradition, are doing the same. We're at the point where nearly every HR custom needs to be reimaged.

When companies replace - or at least augment - the annual review with ongoing conversations and real-time feedback, they're better able to make improvements throughout the year. Alignment and transparency become everyday imperatives." (p. 178)

One of the most important processes developed in 2022 was the development of the Employee Evaluation Process. Where most departments perform an annual evaluation, and some perform 9-Box evaluations annually, the IDG Employee Evaluation process provides a tool (Excel Worksheet) that enables managers to post frequent quick evaluation comments (daily or more as desired). The comments can be kudos or opportunities to improve. The Employee Evaluation tool calculates the current assessment using through-the-year observations, and this is used to determine promotion opportunities.

IDG's methodologies exceed those presented in the book.

## **Conversations**

Andy Grove estimated that 90 minutes of a manager's time can enhance the quality of a subordinate's work for two weeks. The point of the meeting is mutual teaching and exchange of information. By talking about specific problems and situations, the supervisor teaches the subordinate his skills and know-how, and suggests ways to approach things. At the same time, the subordinate provides the supervisor with detailed information about what he is doing and what he is concerned about...A key point about a 121: It should be regarding as the subordinate's meeting, with its agenda and tone set by them...The supervisor is there to learn and coach.

The supervisor should also encourage the discussion of heart-to-heart issues during 121's, because this is the perfect forum for getting at subtle and deep work-related problems affecting a subordinate. Are they satisfied with their own performance? Does some frustration or obstacle gnaw at them? Do they have doubts about where they are going?" (p. 183)

Regarding annual performance reviews at Adobe expended 80,000 manager hours - the equivalent of about 40 full-time managers, in a mechanical process that created no discernable value." (p. 189)

Donna Morris, Adobe CEO wrote on the Adobe intranet, that the challenge at hand was to review contributions, reward accomplishments, and give and receive feedback. Do these need to be conflated into a cumbersome process? I don't think so. It's time to think radically differently." (p. 191)

Donna's candor became the catalyst for "Check-In", Adobe's new mode of continuous performance management. In s collective effort to move the company forward, managers, employees and peers join in multiple Check-In conversations each year." (p. 191)

"Adobe's Check-Ins feature three focus areas: quarterly goals and expectations (e.g. OKRs), regular feedback, and career development and growth. Sessions are called by contributors and decoupled from compensation. Forced distribution stack rankings have been replaced by an annual rewards Check-In. Managers are trained to scale compensation based on employee's performance, their

impact on the business. The relative scarcity of their skills, and market conditions. There are no fixed guidelines." (p. 191)

Better transparency: "From the beginning, the process forced us to clarify who's in charge of what. When a fly ball is hit between two outfielders, someone must call for it - or else the ball drops between them, or they crash into each other." (p. 206)

"Andy Grove understood the paramount importance of a healthy culture and goal-setting. Put simply, culture is a set of values and beliefs, as well as the familiarity with the way things are done and should be done in a company. The point is that a strong and positive corporate culture is absolutely essential." (p. 213)

"When a company is culturally coherent, the way forward is understood." (p. 213)

"OKRs provide structure and clarity" (p. 215)

"As Jim Collins observes in GOOD TO GREAT, first you need to get the right people on the bus, the wrong people off the bus, and the right people in the right seats. Then you step on the gas." (P. 223)

[IDG made incredible progress toward Jim Collins' guidance beginning in 2022.](#)

"Why would anyone want to work in an environment with a fear of holding each other accountable?" (p. 226)

[This statement likely twists people's perspective. It is much better to be part of a company where accountability exists, than to be part of a company without accountability. Without accountability, every task undertaken requires follow-up and escalation, and the pace of progress is slow or non-existent.](#)

### **Common OKR traps**

"OKRs are often based on what the team believes it can achieve without changing anything they are currently doing, as opposed to what the team, or customers, really want" (p. 259)

Aspirational OKRs often start from the current state and ask, 'What could we do if we had extra staff?'. An alternative approach is to start with 'What would the process look like if we were freed from these constraints?' (p. 259)

"Teams who can meet all of their OKRs without needing all of their team's headcount/capital...are assumed to either be hoarding resources or not pushing their teams, or both. This is a cue for senior management to reassign headcount and other resources to groups who will make more effective use of them." (p. 260)

"Aspirational OKRs and their associated priorities should remain on a team's OKR list until they are completed, carrying them forward from quarter to quarter as necessary. Dropping them from the OKR list because of lack of progress is a mistake, as it disguises persistent problems of prioritization, resource availability, or a lack of understanding of the problem/solution." (p. 263)

OKR Quality Checks (p. 264)

If you wrote them down in five minutes, they probably are not good. Think.

If your objective does not fit on one line, it is not crisp enough.

If your Key Results are expressed in internal terms ("Launch Foo 4.1"), they probably are not good. The launch doesn't matter, the impact matters. Why is Foo 4.1 important? Better: "Launch Foo 4.1 to improve sign-ups by 25 percent". Or simply: "Improve sign-ups by 25 percent."

User real dates. If every key result happens on the last day of the quarter, you likely do not have a real plan.

Make your Key Results measurable: "Improve daily sign-ups by 25 percent by May 1."

Use unambiguous metrics. If you say "1 million users", is that all-time users or seven-day activities?

For larger groups, make OKRs hierarchical - have high-level ones for the entire team, more detailed ones for subteams. Make sure that the horizontal OKRs (projects that need multiple teams) have supporting Key Results in each subteam.

"Use all-hands meetings to explain why an OKR is important to the organization. Then keep repeating the message until you're tired of hearing it yourself." (p. 275)

"Encourage a healthy proportion of bottom-up OKRs - roughly half." (p. 275)

"To build a culture of accountability, install continuous reassessment and honest and objective grading - and start at the top. When leaders openly admit their missteps, contributors feel freer to take healthy risks." (p. 276)

"Rely on intrinsic motivations - purposeful work and opportunities for growth - over financial incentives. They are far more powerful." (p. 278)

"Convey cultural values by word, but most of all by deed." (p. 280)

"Promote peak performance with collaboration and accountability. When OKRs are collective, assign Key Results to individuals - and hold them accountable." (p. 280)

"Use OKRs to promote transparency, clarity, purpose, and big-picture orientation. Deploy CFRs to build positivity, enthusiasm, stretch thinking, and daily improvement." (p. 280)

"Many companies have a 'rule of seven', limiting managers to a maximum of seven direct reports. In some cases, Google has flipped the rule to a minimum of seven, with as many as 20." (p. 14)

"In the storm of any disruption, IT will bear the brunt of in-house frustrations. - Atticus Tysen, CIO of Intuit" (p. 105)

"In IT, we're always juggling the needs of internal partners with the demands of end users. We bridge technology and business outcomes. Maybe toughest of all, we must balance the task of making systems work perfectly today (as our people expect) with our mandate to invest in the future." (p. 105)

[This quote resonates with I&A's responsibilities. All changes; system, process and organization, must be accomplished without disruption of the operations supporting approximately 600,000 provisions/month.](#)



## **OKR Origin**

[Andy Grove was the CEO of Intel from 1987 to 1998. He is credited with the OKR methodology.](#)

"There are so many people working so hard and achieving so little. - Andy Grove" (p. 19)

"By pedigree, Grove was the least likely member of the Intel Trinity that ran the company for three decades. Gordon Moore was the shy and revered deep thinker, author of the eponymous law that underpins the exponential scaling of technology; Computer processing power doubles every two years. Robert Noyce, co-inventor of the integrated circuit (aka the microchip), was the charismatic Mr. Outside, the industry's ambassador, equally at home at a congressional hearing or buying a round of drinks at the Wagon Wheel."

"And then there was Andy Grove, a Hungarian refugee, who had narrowly escaped the Nazi's and reached the U.S at age twenty with no money, little English and severe hearing loss." (p. 20)

"During Grove's tenure as CEO, Intel would return more than 40 percent per annum to its shareholders, on a par with the arc of Moore's Law." (p. 21)

"Though he wasn't demonstrative, Grove could be a very compassionate leader. When he saw a manager failing, he would try to find another role - perhaps at a lower level - where the person might succeed and regain some standing and respect." (p. 30)

"The best way to solve a management problem, he (Grove) believed, was through 'creative confrontation' - by facing people bluntly, directly, and unapologetically." (p. 30)

"He (Grove) had an amazing ability to reach into your chest and grab your heart, pull it out, and hold it in his hands in front of you." (p. 32)

[A recommended book that sounds intriguing: Andy Grove: The Life and Times of an American, by Richard S. Tedlow.](#)