

A photograph of two women in a professional setting. The woman on the left has curly brown hair and is wearing a white button-down shirt. The woman on the right has long brown hair and is wearing a light blue button-down shirt and tan trousers. They are both smiling and looking at a blue tablet held by the woman on the right. The background is a warm, out-of-focus indoor space with a plant visible on the right.

zensai

BEST PRACTICE GUIDE

Setting Great OKRs

Let's get clear on what makes a solid OKR so you can start setting and exceeding goals like a pro.

What is an OKR, anyway?

The acronym OKR stands for Objectives and Key Results. It's a popular goal management framework that helps break down company strategy into manageable chunks.

It's a simple approach to create alignment and engagement around measurable, ambitious goals.

OKRs have been made famous by some of the biggest Silicon Valley companies from Google and Yahoo! to Spotify, Uber, and Twitter. They are a goal-setting framework for highly agile and innovative companies looking to maximise performance, engagement, and transparency.

The benefits of the framework include

- a better focus on results that matter.
- increased transparency.
- stronger company alignment.

OKRs achieve this by organising employees and the work they do around achieving common objectives. The big difference from traditional planning methods? OKRs are frequently set, tracked, and re-evaluated – usually quarterly and weekly. OKR is a simple, fast-cadence process that focusses on engaging people in their work.

OKR helps companies bridge the gap between strategy and execution and move from an output-based to an outcome-based approach to work.

So, what are you waiting for? Let's jump in.



5 benefits of OKRs

1

Strategic alignment

OKRs help managers and employees align their efforts with everyone else in a company. This ensures that everyone is moving in the same direction. It also helps staff understand the purpose behind their tasks.

2

Cultural transparency

The biggest direct impact of OKRs is a shift to transparent goals across the business. With OKR, everyone can see everyone else's goals, from the bottom of the company to the very top. This helps encourage a more open and honest culture.

3

Engaged employees

OKRs give more oversight and alignment which in turn, grows employee engagement. With engagement linked to a host of business benefits including increased productivity and reduced staff turnover, this is a huge benefit.

4

Focused execution

OKRs help people focus on what's important. Employees know which parts of their role contribute to the bigger picture and help to prioritise the work that has real business impact.

5

Business success

Research shows that employees with OKRs are more effective than those who use other frameworks. This results in increased performance, increased sales, and even better customer satisfaction scores.

What makes a great OKR?

A great OKR describes what you aspire to do and how you're going to measure it.

I will (**Objective**) as measured by (**Key Results**).

An Objective tells you where you're heading

An Objective should motivate and challenge the team. They need to be memorable, qualitative descriptions of what you want to achieve. They should be short, inspirational, and engaging.

- Easy to remember
- Starts with a verb
- Qualitative
- Aspirational
- Creates impact

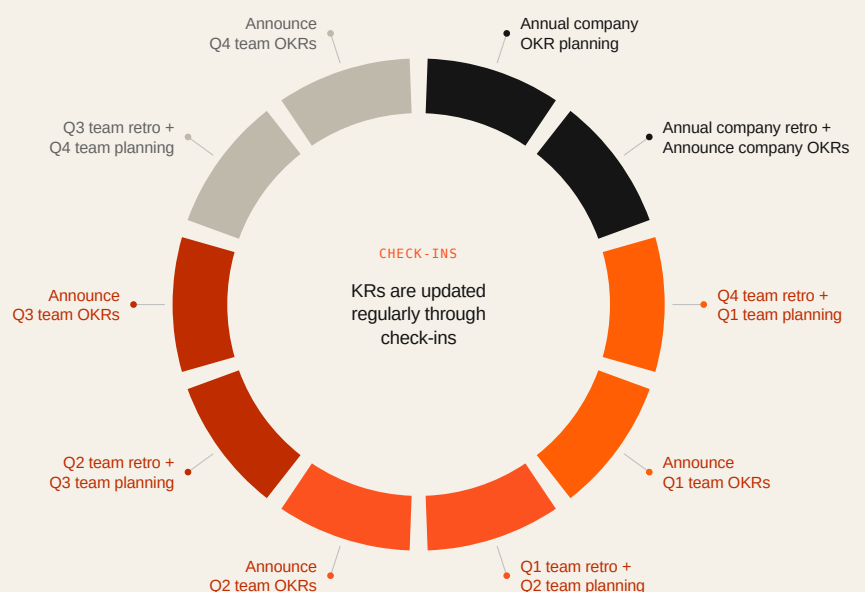
Key Results are how you define success

Key Results are a set of metrics that measure your progress towards the Objective. Each Objective should have between 2 and 5 Key Results. All Key Results must be quantitative.

- Starts with a verb
- Quantitative
- Defines success

The annual OKR cycle

Companies set Objectives annually whereas individual and team OKRs are set quarterly.



How to set a great OKR

So, you understand the theory. You're down with the structure, all you need now is the actual help on building a great OKR, right? Here's what you need to know:

1

Understand the brief

Before you start using OKRs it's important to have a clear understanding of the challenge you want it to solve, and the benefits you expect it to bring.

For most, OKRs offer a transparent and clear way to translate company objectives into bite-size chunks, in a way that's clear to all employees, and is transparent and measurable.

2

Make someone responsible

OKR is a framework. But it's also a steep learning process. It often involves a fundamental shift in how people think about and measure the work they do, moving away from a focus on input and effort to a focus on outcomes.

That's why it's important for OKRs to have an owner. Their role is to ensure that everyone using OKRs is properly trained, engaged, and has ongoing help and guidance when they need it.

3

Align, don't cascade

Set top down and bottom up OKRs. Encourage employees to set and own their own OKRs so that they feel motivated to achieve them. They can be mapped to team, department, or company Objectives. And should deliver strategic value and not business as usual activities or outputs.

4

Find the right cadence

OKRs are usually created on 2 cadences

1. A strategic cadence with high-level, longer term OKRs for the company (usually annual).
2. A tactical cadence with shorter term OKRs for departments and teams (usually quarterly).

Company Objectives are typically set annually whereas individuals and teams set their OKRs quarterly. This nested approach takes account of the fact that while strategic objectives rarely change quickly, tactical objectives can shift frequently.

However, companies are free to customise the cadence so that it best suits their own needs.

For example, Spotify uses a cycle of 6 months for company objectives while its teams set OKRs every six weeks. It's all about finding the cadence for you.

A worked example

OBJECTIVE

Create an Awesome Customer Experience

KEY RESULTS

- Improve NPS from 45 to 70.
- Increase repurchases from 67% to 83%.
- Maintain CAC under \$850.

Our Objective is Create an awesome customer experience. This sounds great, but how would you know if the experience is awesome? And what defines awesome? Remember, without measurement you don't have a goal.

That's why we need Key Results. How do we measure if we're providing an awesome customer experience? Net Promoter Score (NPS) and Repurchase Rate would be two good options. Do our customers feel so good about dealing with us that they would recommend us and buy again?

But measuring NPS and repeat purchases alone can send the wrong message. It might encourage us to make the customer happy at any cost. Therefore, we can include a counter-measure such as Customer Acquisition Cost (CAC). We want to make the right type of customers happy.

Key Results are crucial. Most of all, they define what we mean by "Create an awesome customer experience."

A second team could feed into the same Objective but with different Key Results. For example, the product development team could have KRs around product stickiness and usability.

That's how we use OKRs to align purpose across the company.

If it doesn't have a number, it's not a Key Result.

MARISSA MAYER | EX. GOOGLE, YAHOO!

Avoid Key Results that focus on effort or input over outcomes.

Examples of poor Key Results:

- Collect 5 customer surveys per day
- Make 25 outbound calls a month
- Speak to 12 customers every month

Scale with Zensai: Smarter, simpler performance management in Teams

Help employees thrive by setting clear, actionable SMART goals and OKRs, all managed directly in Microsoft Teams. No extra tools—just an intuitive way to track progress and skill development where work happens.

Zensai check-ins help employees maintain clear visibility on goals and OKRs. This keeps priorities aligned, enhances engagement, and ensures every effort drives maximum impact toward company success.

OKRs can be public or private, aligning individuals, teams, and organizations. Whether tracking team goals for projects or private goals for development, it adapts to how your people work best.

"I wish we'd found Zensai sooner! Our people feel heard and valued in a way they didn't before. Conversations between our managers and their teams happen regularly and are more forward looking.

CHIEF PEOPLE OFFICER, POWERON PLATFORMS