# SETTING GREAT GOALS

## Checklists and Best Practices

# **GREAT OBJECTIVES:** Checklist

Great Objectives (Goals) give everyone a clear understanding of what you are working on and why it is a desirable state to achieve.

Defining effective Objectives takes time as they are a powerful tool to motivate and engage all stakeholders in the process. Like a well-defined marketing slogan, they make it very easy for everyone to understand what their customer and business value is.

- [ ] Describing a desirable state or condition in the future
- [ ] Qualitative (not measurable)
- [ ] Radical focus on customer and business value
- [ ] Maximum 5 Objectives per organizational unit
- [ ] Balanced: inspiring, ambitious, and realizable
- [ ] Superordinate and closed packages
- [ ] 60% Bottom-Up (operative) and 40% Top-Down (strategic)
- [ ] Derived from strategy, long term goals, and team needs
- [ ] Realizable in one cycle

# **GREAT OBJECTIVES:** Best Practices

1. Think of who you would like to provide value to, what that value would be and what that future state might look like.

| Customer / user | Value provided | Future state |
|---|---|---|

2. Mark the promises you are making in the Objective.

3. Create a Key Result for each promise.

Ask yourself:

- What would indicate that we have kept this promise?
- What would be a measurable indicator that this value has been created?

*Our power-users are delighted with our top 7 features so they love engaging with us and actively recommend us.*

# **GREAT KEY RESULTS:** Checklist

Great Key Results are the drivers of success for their Objective. Drafting and discussing Key Results helps the team to reflect about their set of metrics and learn how to measure their success.

*Example: Increase rocket fuel efficiency by 15%*

Key Results are independent success drivers and should not be interconnected milestones on your way to achieving the Objective.

- [ ] Results: not milestones or tasks
- [ ] Quantitative and measurable
- [ ] Lead metrics that can be influenced
- [ ] Maximum 5 Key Results per Objective
- [ ] Ambitious and realizable
- [ ] Time-Phased
- [ ] Describing how the Objective shall be achieved
- [ ] Very specific (avoid vague words like “implement”)
- [ ] Accepted by stakeholders

# **GREAT KEY RESULTS:** Best Practices

### Find the right scope for your OKRs

Keep in mind that you are defining OKRs for one cycle (usually 3 months). That equals 40x12=480 working hours or 60 days per person. Hence, if you personally have 4 Objectives with 4 Key Results each (16 Key Results), you can work 3.75 days on each.

If one Objective is estimated to take more than one month of your team's work, break it up into 2. This can help you as a rules of thumb to define and subdivide Objectives and Key Results properly.

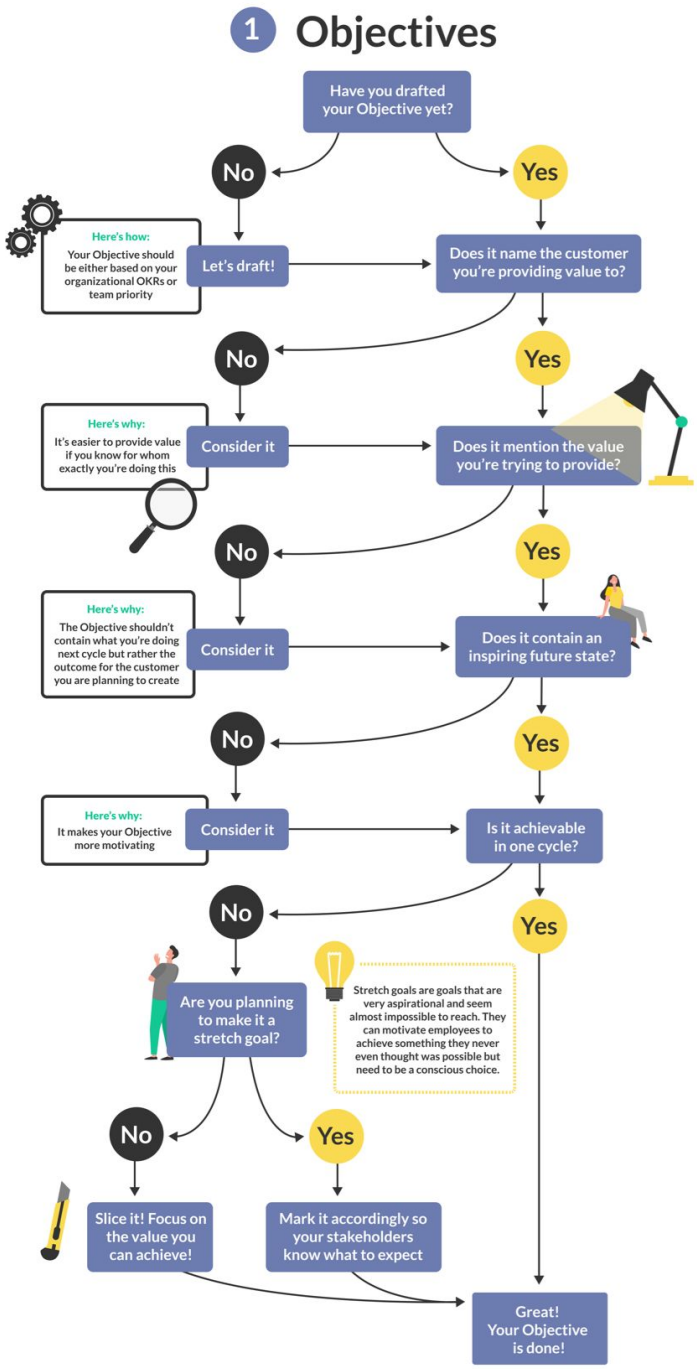
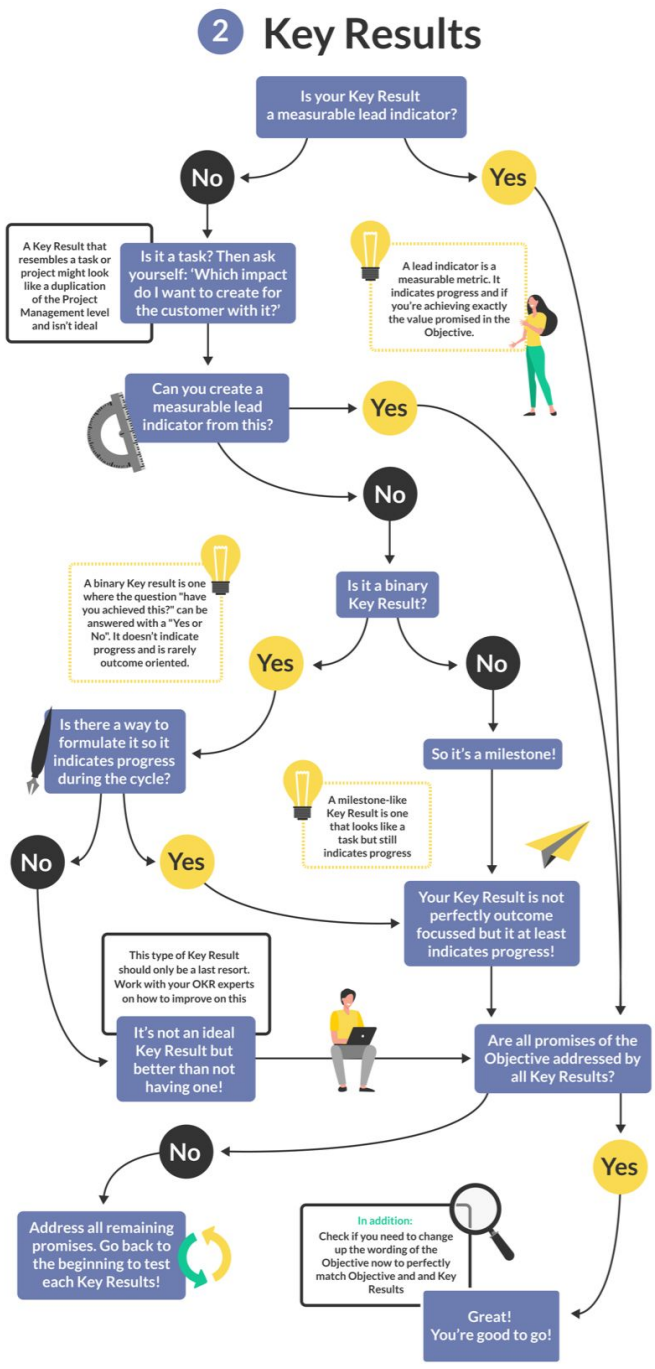
### Focus on the lead measures

The problem with traditional goal setting is that the set metrics can hardly be influenced by the people working on it. Measures like revenues or customer retention indicate if you have achieved a goal, but usually with a certain time lag and without guiding the teams what to do to directly influence those metrics.

Unlike most KPIs, lead measures can directly be influenced and they create leverage with regards to the Objective you want to achieve.

***Example**: Having a standardized safety check on a construction site as a Key Result is a **lead measure** while the number of injuries per week is a **lag measure**.*

| Lead Measure | Lag Measure |
| --- | --- |
| Doing This... | Achieves That... |

By focusing on lead measures for your Key Results it will be easier to derive actions from them and measure if your work was successful. Lead measures create leverage and motivate employees to engage in the goal setting process.

# HOW TO WRITE GREAT...