



How often should you set goals for your business to survive and thrive?

A simple business idea connects Bono (from U2) to Google to Intel and other high-growth businesses...

It's almost too simple to share, but it works!

Late in the 1990s 17 different search engines were fighting it out to dominate the web.

Then the 18th search engine started up – Google.

Normally such a latecomer wouldn't stand a chance, having given the others such a head start.

The best place to work...

So how did this business start-up repeatedly race on with 10x annual growth whilst managing the most volatile and tumultuous changes in technology?

Google did this by using a method that ensured company-wide focus on a handful of important priorities.

This has continued as Google has grown, and every 13 weeks (for the last 20+ years) Google's leadership team evaluate the company's progress against a handful of top-level priorities.

Every single person in the business is clear on Google's priorities for that quarter and the key measures used to evaluate progress.



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In a nutshell

Have a single quarterly priority focus, share it across all your team and set up ways to track activities and results.

If you set out to change three things or more you'll dilute the focus and continue to be swamped. Or you'll need a bigger team. Instead, work out what to focus on, and what not to focus on for this quarter.

A proven solution for you...

Work out the **OKRs (Objectives and Key Results)** for your business:

1. Focus on one significant **Objective** in the next 13 weeks – give clear direction to your team
2. Measure what matters (**Key Results**) to help you achieve your goal – set measurable milestones to monitor progress

BONO loves focus too...

In 2004, Bono co-founded ONE – a global coalition of 11 organisations campaigning to end extreme poverty and preventable disease by 2030.

With such an ambitious goal, and so many passionate and talented people involved, the ONE CEO, David Lane, rightly said:

"We needed a process of discipline to keep us from trying to do everything"

And so, like Google, ONE worked out a key focus, agreed key measures and then shared them with everyone involved. A heady blend of passion, talent and disciplined focus. Like Bono says:

"...choosing one fight at a time and going at it with a vicious schedule"

So far, ONE has helped deliver nearly £40billion in funding for health initiatives. They've helped to almost halve AIDS related deaths and also halve the number of HIV infections in children.

Here are Bono's thoughts on OKRs:
"OKRs forced us to think clearly and agree on what we could achieve with the resources we had"

Google, Bono and the team at ONE learned the OKR lessons from another landmark success story – Intel.

Intel now control more than 70% of the Integrated Circuit market worldwide – demonstrating more evidence that OKRs work.

Less is more...

You already know that if you spread your time, effort, energy and team across too many projects you'll complete very little. Frustration will dominate your feelings.

Your results will be poor, your team disheartened.

...so, choose your priority

A definition – priority – one thing held as more important than others.

This means working out what you need to downgrade or exclude from your efforts for the next 13 weeks whilst you focus on your primary goal.

To join the ranks of Intel, Google and ONE, simply focus on one significant **Objective** in the next 13 weeks. What one primary goal do you wish to achieve in this quarter?

Key Results – time-sensitive and specific measurements to monitor progress in achieving your primary goal this quarter.

At the end of the quarter you then move on to focus on the next significant objective with key results for the following 13 weeks.

Important or urgent?

Most business leaders and managers will consistently say yes to requests from their customers, team and also to their own ideas. Their to-do list gets longer and longer with more and more urgent priorities.

However, a business only running on urgent priorities will perform less well in the long term than a business which also focuses on a strategic priority every 13 weeks. A strategic priority that may not be seen as urgent but is important to the growth of the business.

For example, you can put off hiring a key person for a couple of months or you can delay reorganising your stock control system for a whole year if you wish.

These strategic projects remain important and will probably hold your business back if you delay them.

However, these projects require large levels of commitment. Taking on more than one large project at any time may be paralysing without the resources to follow through - make one of them your primary goal for the next 13 weeks...and then move on to the next one next quarter!

Right time right place...

John Doerr author of the insightful book 'Measure What Matters' worked with Andy Grove, CEO of Intel and 'father of OKRs'.



John witnessed how Grove turned Intel into the world's dominant integrated circuit producer – with the help of OKRs.

After leaving Intel, John invested in Google at its start-up phase and introduced OKR insights learned from his time working at Intel.

John later advised Bono and ONE on how to put OKRs to work.

Put 4 superpowers to work...

In 'Measure What Matters' - John talks about the 4 superpowers that result from the use of OKRs:

Superpower 1 – Focus and Commit to Priorities

High-performance businesses home-in on one priority.

They are equally clear on what doesn't matter for the next 13 weeks.

OKRs compel leaders to make hard choices on what to exclude from their focus for the next 13 weeks.

Build a list of things you should (or even must) do to improve your company's performance.

When you have your list, choose the one priority that will get full attention for the next 13 weeks.

Then move on to the next priority for the following quarter.

Superpower 2 – Align and Connect for Teamwork

Each OKR brings transparency about what's important this quarter.

OKRs also make everyone's goals—from the directors down – openly available for everyone to see.

As a result, every individual links their personal work goals to the company's clear priority. Teams and individuals coordinate

efforts with each other.

With your company's clear priority identified, you can work with your people on what actions you and they are responsible for.

Superpower 3 – Track for Accountability

OKRs are driven by data. What measures will help you track performance?

You and your team will be energised by regular check-ins, objective grading, and continuous review – in a spirit of no-judgment accountability.

Should a key result look in danger of failing your reporting prompts action to get it back on track, or to revise or replace it if warranted.

Superpower 4 – Stretch for Amazing

OKRs motivate you to excel by doing more than you'd thought possible.

Bringing ambition to your quarterly priority infuses an energy and a striving to your thinking and actions.

By testing your limits and affording the freedom to fail, they release your most creative, ambitious selves.

Can you get your team's buy-in to a stretch goal like Bono and Google?

Using clearly defined and time-sensitive OKRs will channel everyone's efforts, and will bring a sense of purpose and unity to everyone in your business.

Are you now ready to set your business goals, every 13 weeks, so that you survive and thrive?

Take the next steps to identify one key objective from your list of priorities, and work out the key results to share with your people that will achieve your objective in the next quarter.

TIME TO DISAGREE

“Being open and transparent about performance results is new to us and will shock our people”

It pays to handle performance management carefully. Especially if it's new or hasn't worked in the past for you.

Try concentrating on **team activity** key results rather than individual activity measures.

Talk these activities through with your team and the key people so that you together work out measurable activities for everyone to achieve your key results and objective.

“Big business OKRs for tech companies just won't suit my small local business”

In John Doerr's book you'll find stories about OKRs working for pizza and healthcare companies, not just tech companies. On Doerr's website you'll see OKRs working for a single freelancer business and a university too! Does 'size of business' really matter? No.

A lack of focus derails individuals, businesses and even governments.

To achieve your goals requires focus.

You might have ambitious goals for your business. You might have grand plans to achieve them. But work overload (busy-ness) either prevents you getting started or slows you down.

Time scarcity holds businesses back from implementing change.

Setting a **single priority** for the next 13 weeks means most of the other (normal)

work can get done and one important change priority can also get done **at the same time**.

Set out to change three things or more and you'll continue to be swamped. Or you'll need a bigger team. Instead, focus.

“What if my team want more money when we start measuring performance?”

John Doerr points out that:

“Google is careful to segregate raw goal scores from compensation decisions.”

Ask your team to test the OKR process before getting into performance related payments.

Measures of Key Results don't show context, outside influences, other people's contribution and many other factors. Prove the OKR concept first and when you are successful, then you'll have the funds to say thank you to those that have contributed to the success.

NB the science of motivation shows that our **intrinsic motivation** (we all want to do a good job for the sake of doing a good job – purposeful work) is the most powerful motivation we all have.

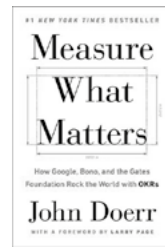
There's lots of evidence showing that financial incentives can actually reduce intrinsic motivation.

“Please tell me more”

If you're serious about the success of your business, you should read John Doerr's book. He shares many more OKR stories and examples working for a wide selection of businesses, from healthcare to education, software to pizza.

Here's what Bill Gates, co-founder of Microsoft Corporation, says about John's book:

“I'd recommend John's book for anyone interested in becoming a better manager”



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4 helping hands for you...

Something as simple as making a priority focus for 13 weeks, sharing it across all your team and setting up ways to track activities and results sounds so obvious.

But most owners and managers are busy being busy. Good people being busy just want to get on with things. Planning is using valuable time up when they could be working!

However, by agreeing on one core focus (priority) for the next 13 weeks, it means you're doing what Google has done more than 80 times since they started up in the late 1990s! Worth giving it a go don't you think?

1. **Write out a list of ALL the goals you have for your business.**
2. **Choose ONE priority OBJECTIVE for you and your team to focus on in the next 13 weeks. Leave the other goals for another time.**
3. **Ensure everyone is clear on the handful of KEY RESULTS that together will deliver your OBJECTIVE. Work out how to benchmark and monitor these activities.**
4. **Make sure your leaders are seen and heard giving your company's OKRs their wholehearted and committed support and diary time.**

ULTIMATE ARGUMENT: “How do I know that using OKRs will pay off for my business?”

Intel, Google, YouTube, a pizza company, a healthcare company, an educational homework service and many more examples suggests all businesses can use OKRs to help them grow.

It's worth testing and you can test it in 13 weeks! So why not give it a go?

If you need more convincing, get John Doerr's book and read the examples of OKRs working and how they did it.

STOP: thinking you can do multiple business projects at the same time

START: making hard choices and exclude all but one priority for the next 13 weeks



Your next steps:

When struggling with a mix of economic uncertainty, cash flow challenges and people issues, goals can seem like an unwanted luxury.

However many different types of businesses achieve real growth in volatile and difficult situations because they put OKRs to work. Like Google and ONE and others.

Freelancers, charities, educational organisations all make OKRs work too. This suggests that you too can survive and thrive by bringing real focus to 13 week goals - OKRs are...

...too valuable to ignore

Using the 4 superpowers suggested by John Doerr's experience at Intel, Google and ONE, move you and your business...

...from 'Could do' all sorts

...to 'Must Do' one thing

OKRs get all your people connected to your priority and remove any doubt what you're 'gunning' for this quarter. Very simple and very powerful.

More tools and information for you:

Download the supporting tools and resources for more help on using OKRs. You'll find links to video resources and other tools to help you implement OKRs - use the URL link in the box below.

Are you ready to choose business goals that help you survive and thrive?

The energy and enthusiasm you see at every sporting event would vanish if there was no hoop, goal post or try line to score.

Remove all ambiguity and doubt from your team about where you're heading, your goal (your OBJECTIVE), and what needs to be done to get there (your KEY RESULTS). And you'll be on the road to choosing the right goals for tumultuous times.

OKRs do not work in isolation from the culture of your business or the commercial realities of your sector or industry. But OKRs do raise the possibility of you succeeding in your sector. With quarterly OKRs Google beat 17 other established search engines, Intel beat Motorola. ONE are beating AIDS in Africa. What can you achieve using OKRs?

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Superpower 2 – Align and Connect for Teamwork

With your clear priority identified, work with your people on what actions you and they are responsible for. Make it clear for everyone.

Superpower 3 – Track for Accountability

OKRs are driven by data. Work out the activities and measures that will help you track performance.

Superpower 4 – Stretch for Amazing

Bringing ambition to your quarterly priority infuses an energy and a striving to your thinking and actions. Can you get your team's buy in to a stretch goal like Bono and Google?

Check out the downloadable tools for more on these insights and skills - use the URL link in the box below.

YOUR SUPPORT TOOLS ARE HERE: Go to the link below and you'll find a selection of practical support tools to help you survive and thrive with the help of quarterly OBJECTIVES and KEY RESULTS for your business.

Find the support tools to help you here - www.businessbitesize.com/x5_accountants

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