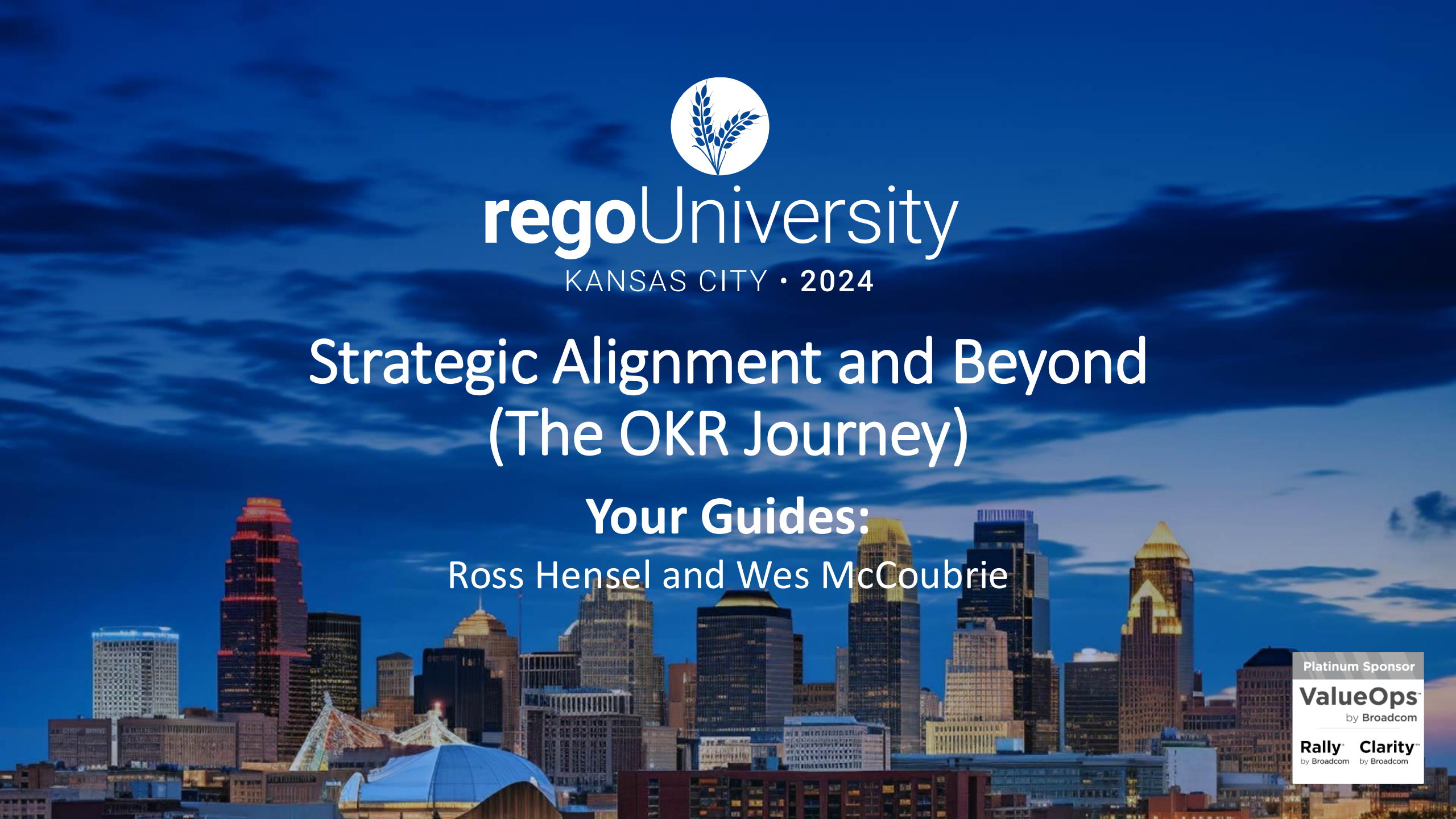
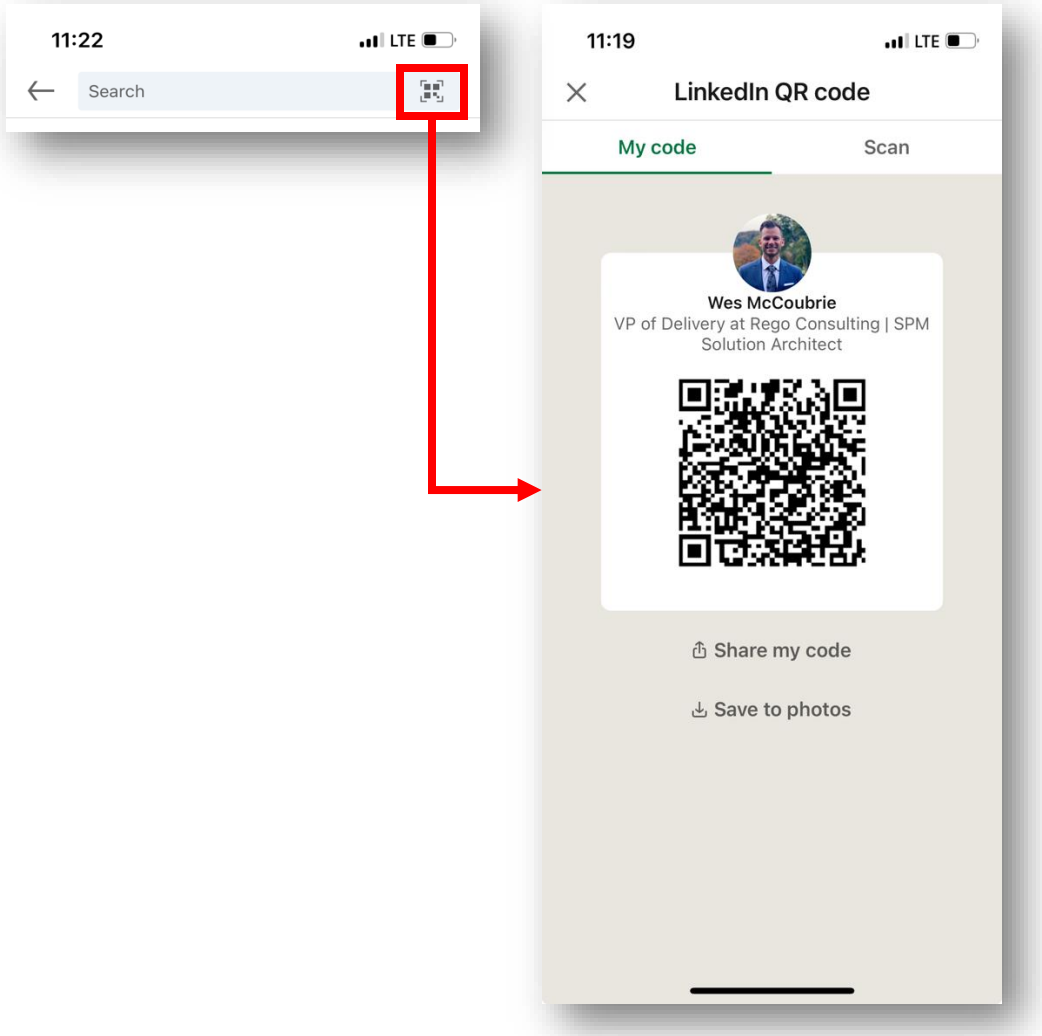

regoUniversity
KANSAS CITY • 2024
Strategic Alignment and Beyond
(The OKR Journey)
Your Guides:
Ross Hensel and Wes McCoubrie
Platinum Sponsor
ValueOps by Broadcom
Rally by Broadcom
Clarity by Broadcom

Agenda

- Introduction
- Defining and Structuring OKRs
- Aligning the Work
- Tracking Attainment
- Reporting
- Demonstration
- Questions
- Additional Resources

Introductions

- Take 5 Minutes
- Turn to a Person Near You
- Introduce Yourself
- LinkedIn!



OKR Structure and Overview

Strategic Alignment

Strong strategic frameworks that allow for quick shifts within well-defined strategic guardrails are major differentiators for organizations.

- All work should be tied to an enterprise strategy, but this is nothing new. The focus here is on decomposing that strategy into measurable objectives that are specific to a line of business or department.
- We should be measuring benefits in business terms, monitored and tracked by business resources. PPM metrics remain important but target tactical project execution and are not designed to continuously revalidate the purpose behind our work.
- OKRs are more important than ever, with a growing focus on quantification and measurement against expectations (e.g., baseline, target, actual).
- As markets shift, a flexible strategic framework allows companies to pivot quickly, reallocating resources to the most valuable work.
- Capabilities that support the connection of these dots is becoming an important differentiator for major SPM platforms, especially as execution methodologies become more disparate.

Are you actively measuring alignment to strategies? If so, what are you using?

Is your organization using Objectives and Key Results (OKRs)?

a. Yes, we use them across portfolios and projects.
b. Yes, some teams are using them.
c. No, but we are planning to leverage them.
d. No, our organization is not currently planning to use them.

How well are your projects aligned with your organization's strategic goals?

a. Completely aligned
b. Partially aligned
c. Minimally aligned
d. Not aligned

OKR Definition & Best Practice

- First, standardize SPM's terminology. Typically:
  - OKRs are elements of a strategic framework that support goal setting and management.
  - KPIs are specific measurements used to evaluate performance.
  - In that light, "Key Results" can be considered KPIs.
  - KPIs are almost always quantitative in nature. Whereas Key Results can be more flexible (e.g., implement a customer rewards program).

- Effective OKRs are collaboratively developed, well-communicated, visible, and linked as closely to the day-to-day work as possible.

- Define a cadence for objective setting as well as for measurement / check-ins.

- Depending upon the size and complexity of the organization, you may need to introduce multiple OKR levels that include Team or Organization-Driven Objectives.

- Key Results needs to be simple to measure and to communicate. (ROI, NPV, Payback can become over complicated)

- Use CRIB for Key Result setting: Clarity | Results Oriented | Important | Big.

- Aim for 70% attainment (John Doerr, Measure What Matters). Should drive FACTS: Focus | Alignment | Commitment | Tracking | Stretching.

Example

Goal:

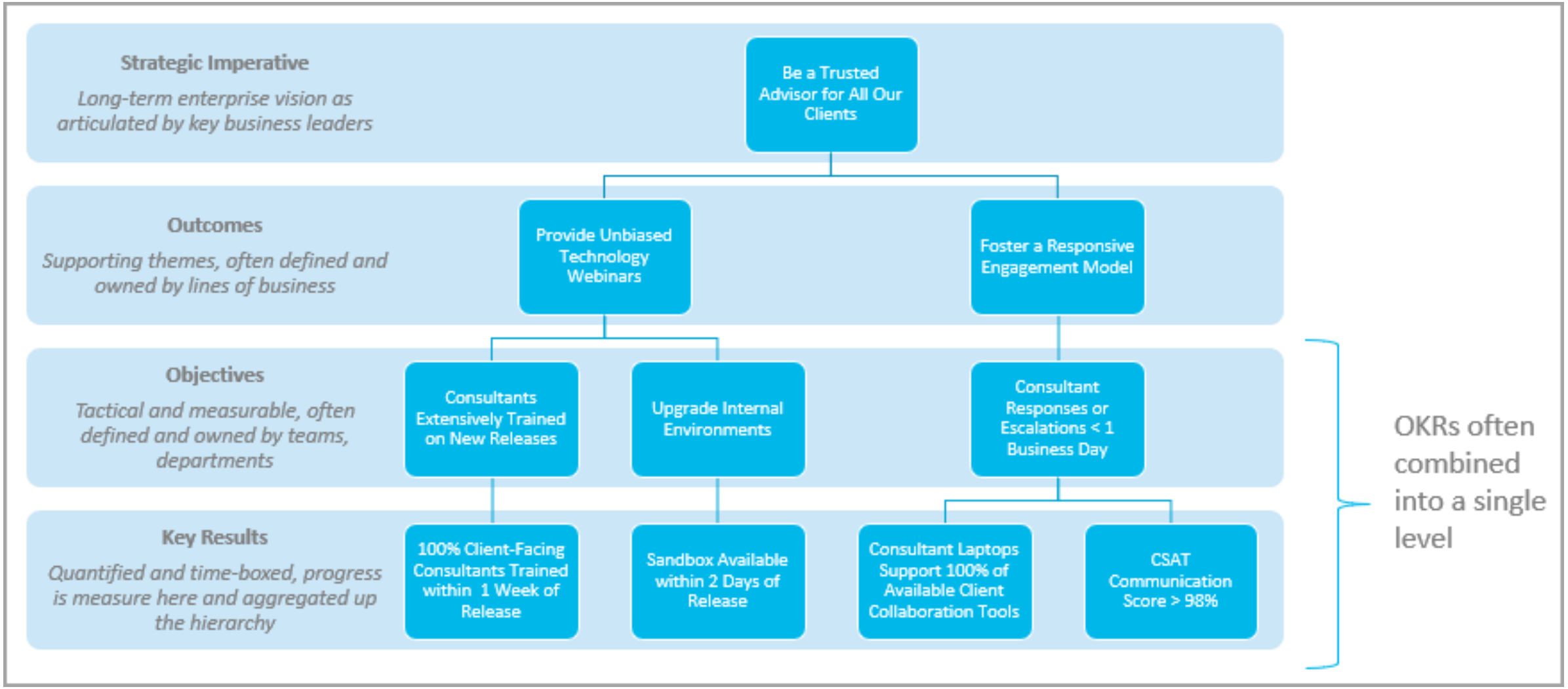
Become the preeminent destination city for elite BBQ.

Objective:

Win the World Cup of BBQ.

- Key Result #1: Enter in 90%+ of national competitions in 2024.
- Key Result #2: Average national competition score of 4+ stars in 2024.
- Key Result #3: BBQ trail website viewership increased by 20% in 2024.

Example Hierarchy



Aligning the Work

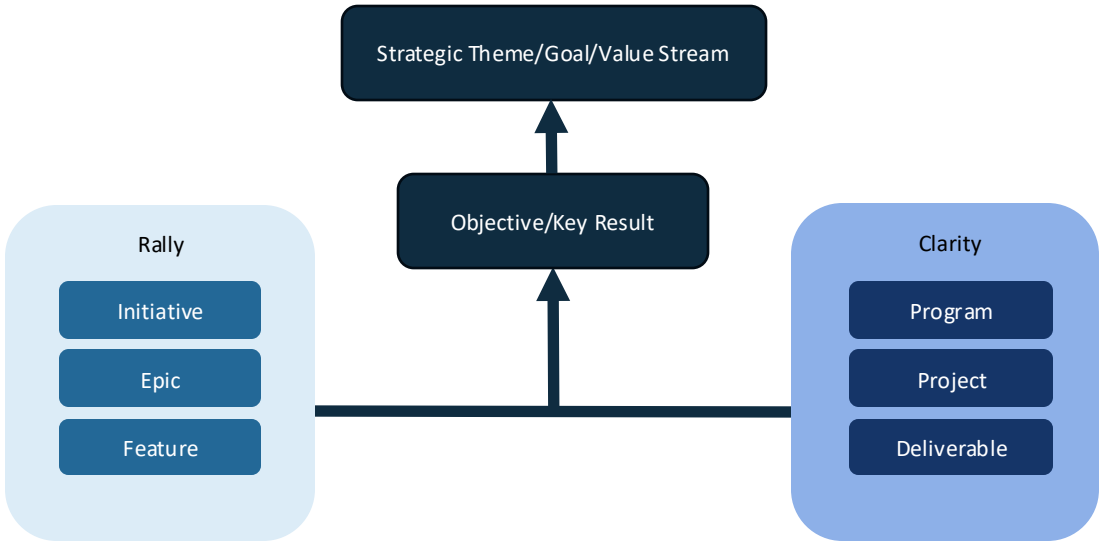
Strategy Framework – Aligned to Clarity PPM

Sanchez, David, and Jenn Tadros. "Build a One-Page Plan To Transform Your Strategy Into Results (Session 229)."Conference Presentation at PMI Global Summit 2023, Atlanta, Georgia, October 26, 2023.

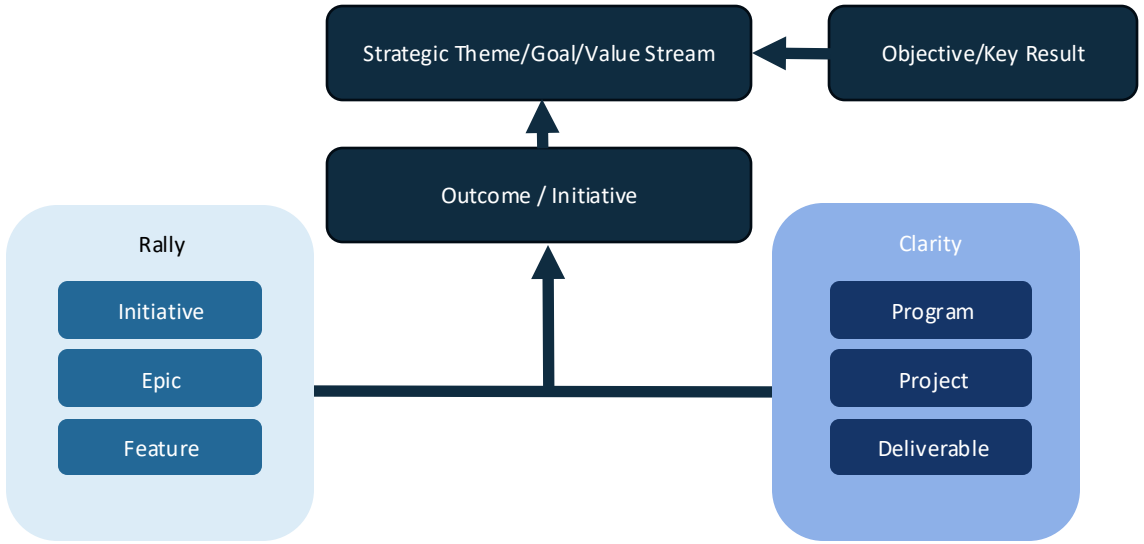
OKRs are Methodology Agnostic

- Work can be executed in Agile, SAFe, Waterfall, etc.
- The work can be tied directly to the objective (Option A) or, for larger and more complex organizations, to an initiative or outcome (Option B).

OPTION A



OPTION B

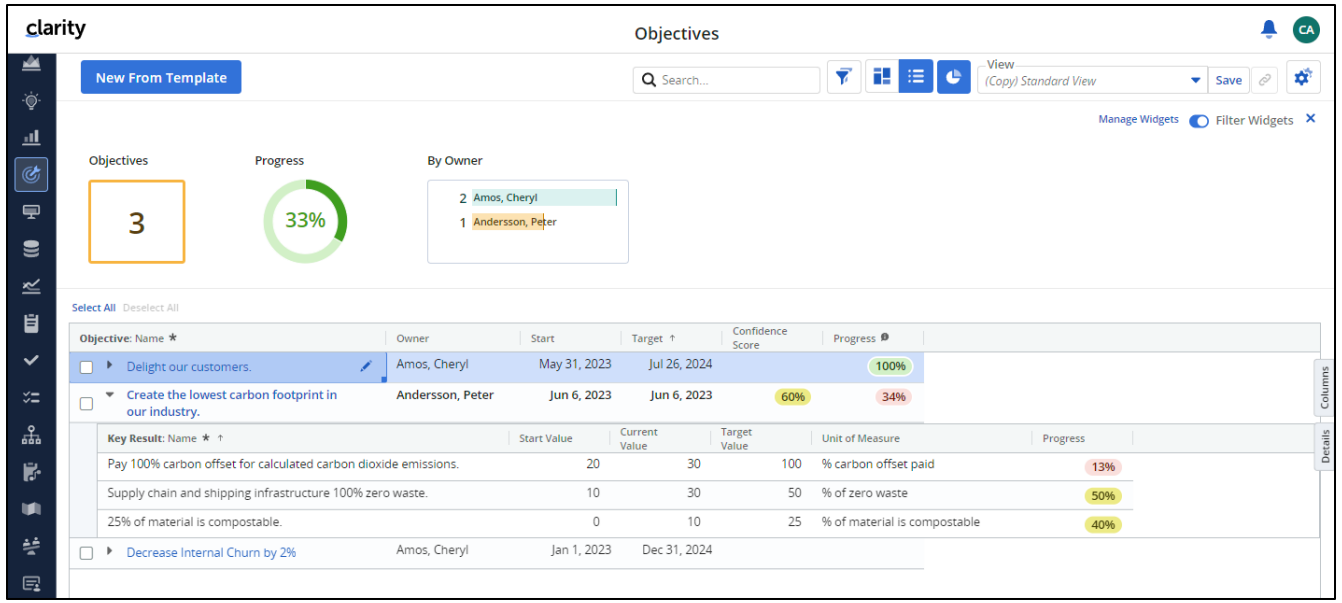


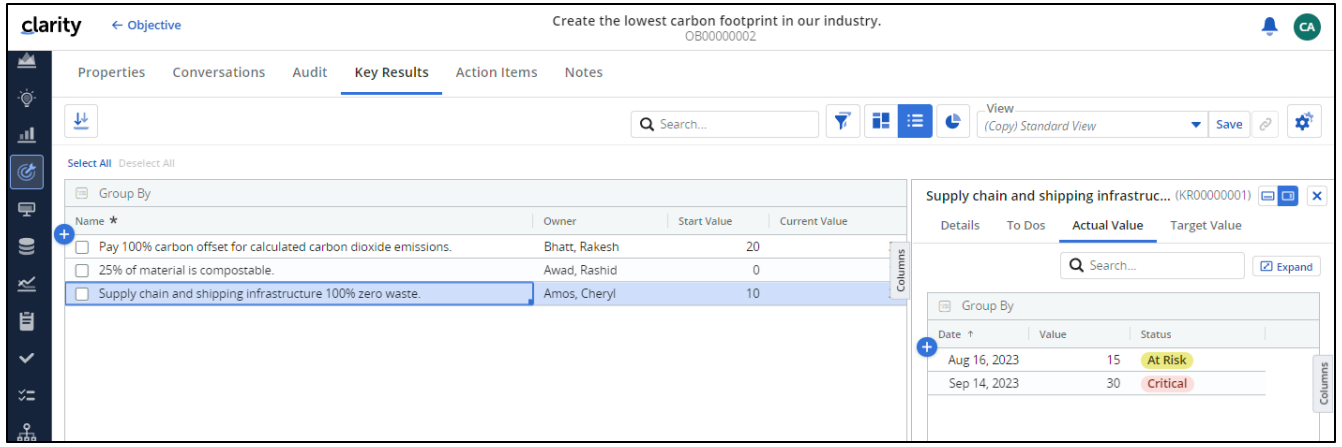
If you are aligning work to strategies, are you using one of these approaches?

Tracking

Objectives Module

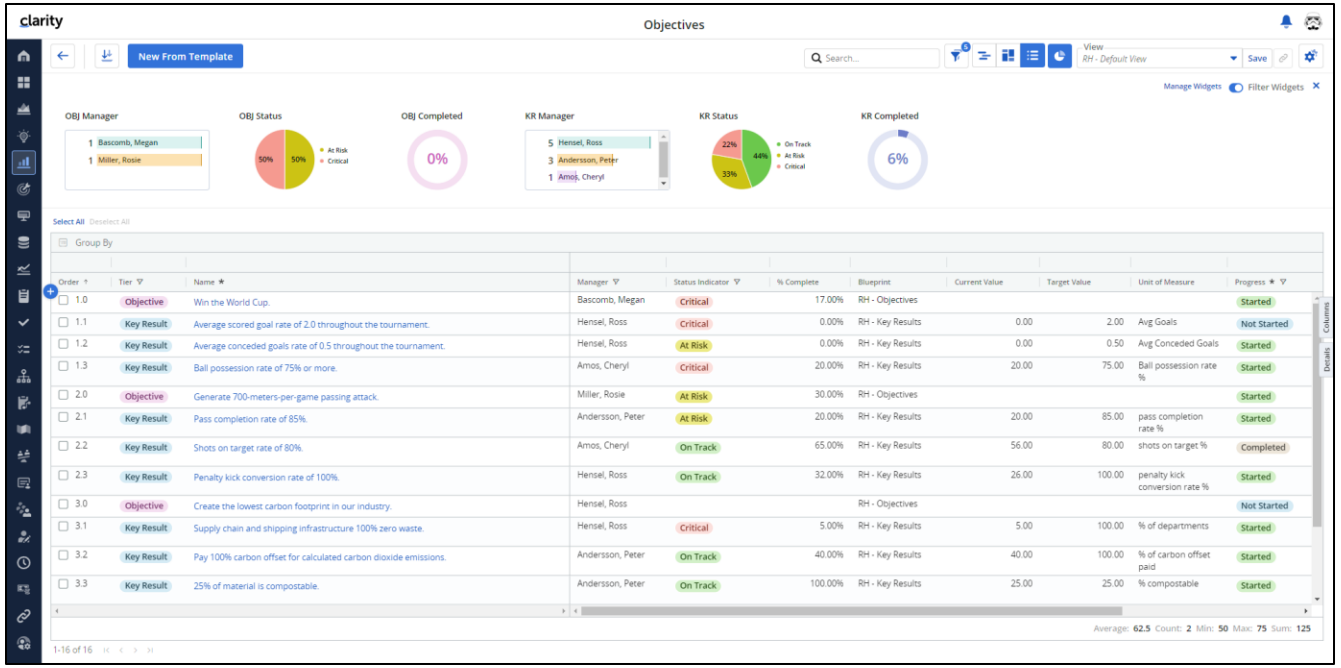
- Out-of-the-box module.
- Three-tiered system with Objectives as the parent object, Key Results as a subobject and Actual and Target Values as a subobject of Key Results.
- Allows direct connection with Rally for updates from Agile teams.
- Nested grid allows visibility into Objectives and Key Results in a single view.

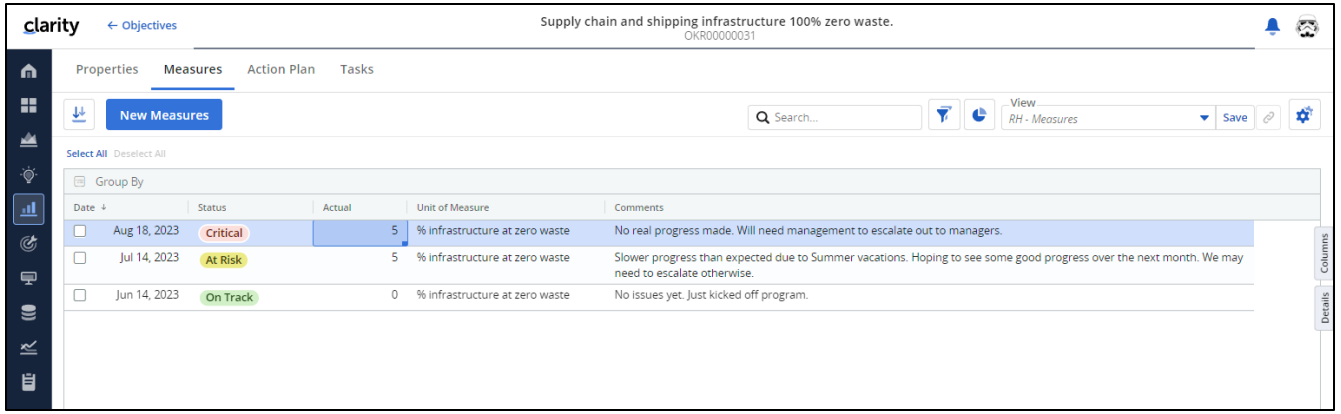




Custom Investment

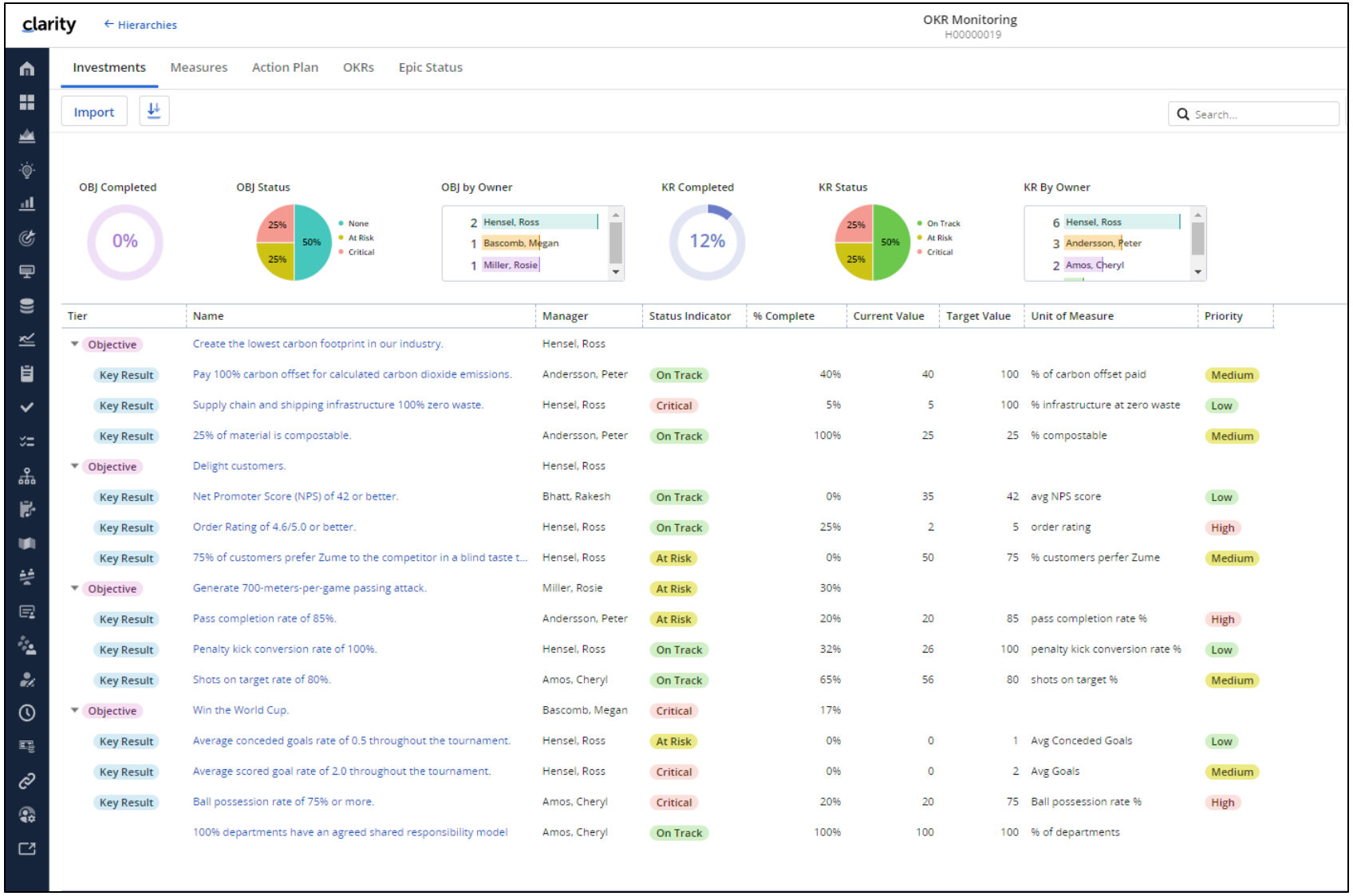
- Usually, a two-tier system of Objectives and Key Results at the custom investment level and Measures/Actual Values at the sub-object level.
- Great if you want to pair with any OOTB investment object like Tasks, Risks, or Issues.
- Associate projects to Objectives or Key Results using the parent field or a custom attribute variation.





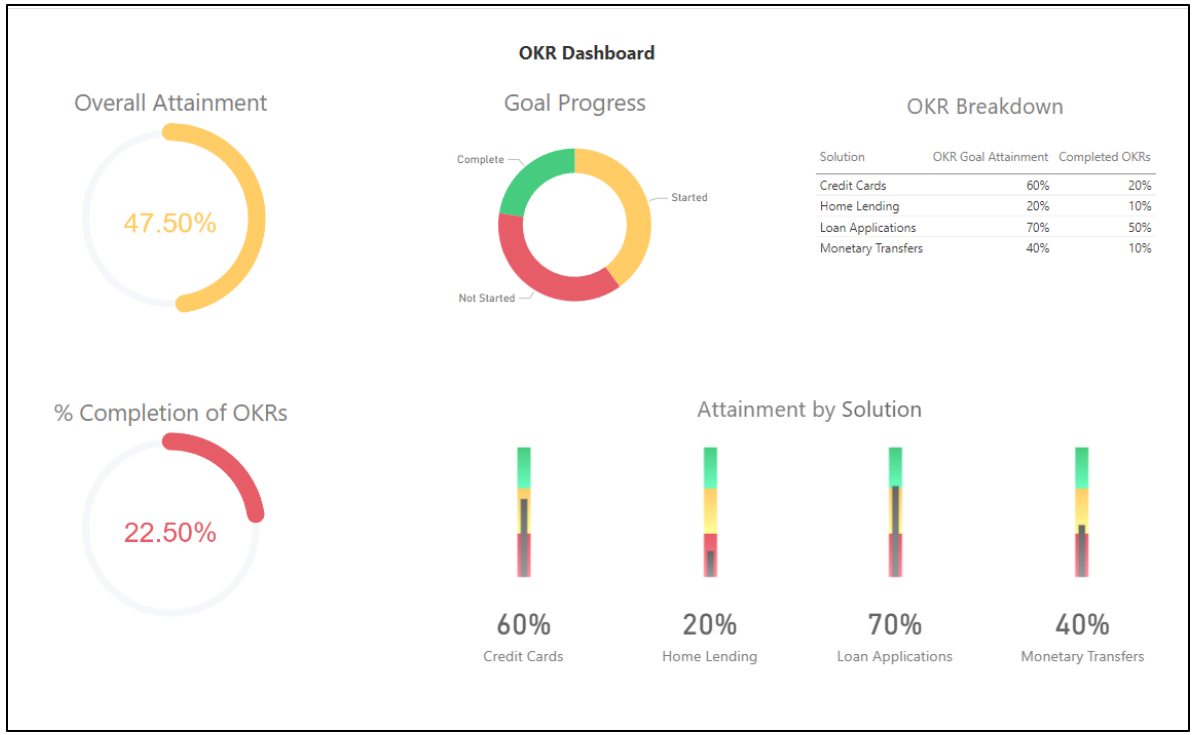
Reporting

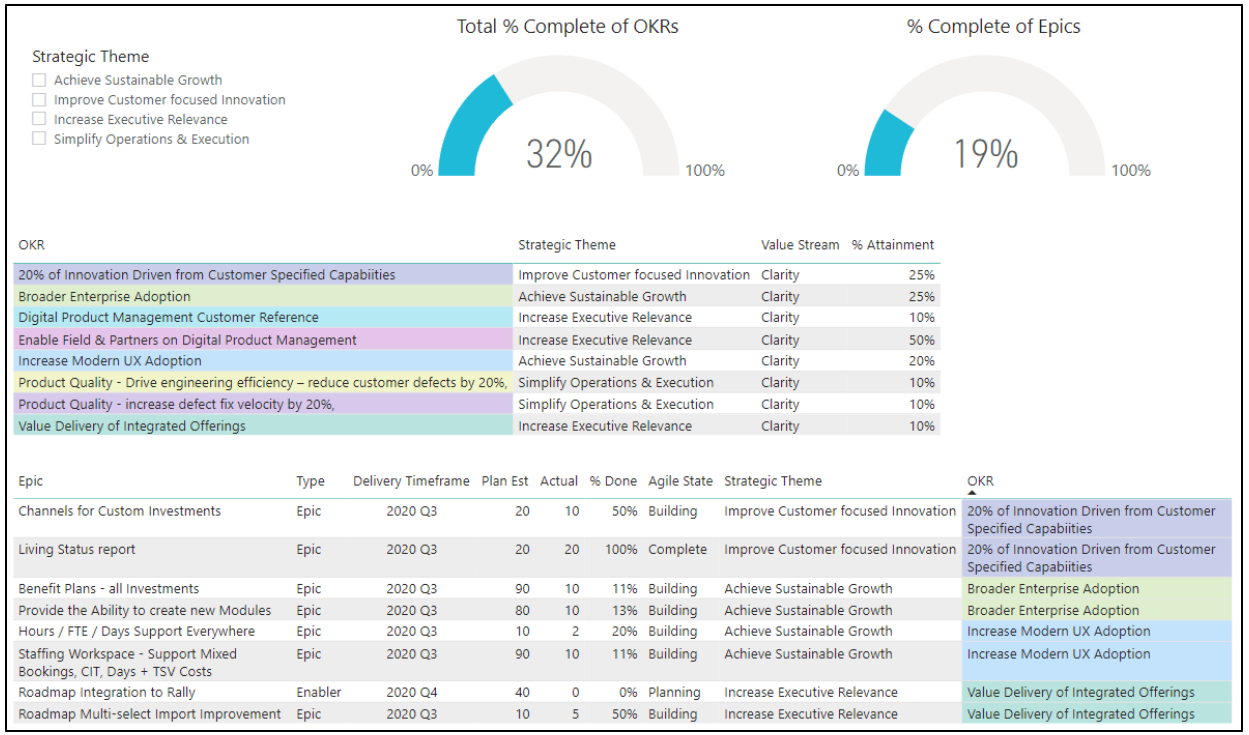
Hierarchies



Tier	Name	Manager	Status Indicator	% Complete	Current Value	Target Value	Unit of Measure	Priority
Objective	Create the lowest carbon footprint in our industry.	Hensel, Ross						
Key Result	Pay 100% carbon offset for calculated carbon dioxide emissions.	Andersson, Peter	On Track	40%	40	100	% of carbon offset paid	Medium
Key Result	Supply chain and shipping infrastructure 100% zero waste.	Hensel, Ross	Critical	5%	5	100	% infrastructure at zero waste	Low
Key Result	25% of material is compostable.	Andersson, Peter	On Track	100%	25	25	% compostable	Medium
Objective	Delight customers.	Hensel, Ross						
Key Result	Net Promoter Score (NPS) of 42 or better.	Bhatt, Rakesh	On Track	0%	35	42	avg NPS score	Low
Key Result	Order Rating of 4.6/5.0 or better.	Hensel, Ross	On Track	25%	2	5	order rating	High
Key Result	75% of customers prefer Zume to the competitor in a blind taste t...	Hensel, Ross	At Risk	0%	50	75	% customers perfer Zume	Medium
Objective	Generate 700-meters-per-game passing attack.	Miller, Rosie	At Risk	30%				
Key Result	Pass completion rate of 85%.	Andersson, Peter	At Risk	20%	20	85	pass completion rate %	High
Key Result	Penalty kick conversion rate of 100%.	Hensel, Ross	On Track	32%	26	100	penalty kick conversion rate %	Low
Key Result	Shots on target rate of 80%.	Amos, Cheryl	On Track	65%	56	80	shots on target %	Medium
Objective	Win the World Cup.	Bascomb, Megan	Critical	17%				
Key Result	Average conceded goals rate of 0.5 throughout the tournament.	Hensel, Ross	At Risk	0%	0	1	Avg Conceded Goals	Low
Key Result	Average scored goal rate of 2.0 throughout the tournament.	Hensel, Ross	Critical	0%	0	2	Avg Goals	Medium
Key Result	Ball possession rate of 75% or more.	Amos, Cheryl	Critical	20%	20	75	Ball possession rate %	High
	100% departments have an agreed shared responsibility model	Amos, Cheryl	On Track	100%	100	100	% of departments	

PowerBI/Tableau





OKR	Strategic Theme	Value Stream	% Attainment
20% of Innovation Driven from Customer Specified Capabiities	Improve Customer focused Innovation	Clarity	25%
Broader Enterprise Adoption	Achieve Sustainable Growth	Clarity	25%
Digital Product Management Customer Reference	Increase Executive Relevance	Clarity	10%
Enable Field & Partners on Digital Product Management	Increase Executive Relevance	Clarity	50%
Increase Modern UX Adoption	Achieve Sustainable Growth	Clarity	20%
Product Quality - Drive engineering efficiency – reduce customer defects by 20%,	Simplify Operations & Execution	Clarity	10%
Product Quality - increase defect fix velocity by 20%,	Simplify Operations & Execution	Clarity	10%
Value Delivery of Integrated Offerings	Increase Executive Relevance	Clarity	10%

Epic	Type	Delivery Timeframe	Plan Est	Actual	% Done	Agile State	Strategic Theme	OKR
Channels for Custom Investments	Epic	2020 Q3	20	10	50%	Building	Improve Customer focused Innovation	20% of Innovation Driven from Customer Specified Capabiities
Living Status report	Epic	2020 Q3	20	20	100%	Complete	Improve Customer focused Innovation	20% of Innovation Driven from Customer Specified Capabiities
Benefit Plans - all Investments	Epic	2020 Q3	90	10	11%	Building	Achieve Sustainable Growth	Broader Enterprise Adoption
Provide the Ability to create new Modules	Epic	2020 Q3	80	10	13%	Building	Achieve Sustainable Growth	Broader Enterprise Adoption
Hours / FTE / Days Support Everywhere	Epic	2020 Q3	10	2	20%	Building	Achieve Sustainable Growth	Increase Modern UX Adoption
Staffing Workspace - Support Mixed Bookings, CIT, Days + TSV Costs	Epic	2020 Q3	90	10	11%	Building	Achieve Sustainable Growth	Increase Modern UX Adoption
Roadmap Integration to Rally	Enabler	2020 Q4	40	0	0%	Planning	Increase Executive Relevance	Value Delivery of Integrated Offerings
Roadmap Multi-select Import Improvement	Epic	2020 Q3	10	5	50%	Building	Increase Executive Relevance	Value Delivery of Integrated Offerings

Demonstration

Questions?

Additional Resources

- Rego Whitepapers:
  - Measuring Value with OKRs
  - Leveraging OKRs Using Clarity Hierarchies
- Broadcom:
  - Objectives and Key Results in Agile at Scale.pdf
  - Clarity Cookbook: Objectives and Key Results (OKRs)
- Books:
  - Measure What Matters: How Google, Bono, and the Gates Foundation Rock the World with OKRs - John Doerr
  - Moving the Needle with Lean OKRs – Bart Den Haak

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Phone
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