



Best Practices and Examples

Comparing OKRs and other methodologies

● MBO

MBO (Management by Objectives) is a top-down structure where team leaders create goals and assign responsibilities to individual members. OKRs (Objectives and Key Results), on the other hand, are more collaborative and team-focused, with goals being set and tracked together.

Main Takeaways

- MBO requires skilled managers to keep track of progression, while OKRs rely on teams to manage their own progression and workload.
- MBO reduces the ability to create a self-governing team, while OKRs promote a strong, independent team.
- MBO doesn't provide a clear understanding of how work impacts the overall strategy, while OKRs track the progression of work and its impact on the organization.

● KPI

KPIs and OKRs are two different metrics used to measure the performance of an organization. KPIs measure the consistency and overall health of an organization, while OKRs measure and guide change in performance and navigate organizations to a desired outcome. Both can be used together to help steer an organization towards improvement.

Main Takeaways

- KPIs and OKRs serve different purposes.
- KPIs measure the consistency and overall health of an organization.
- OKRs measure and guide change in performance and navigate organizations to a desired outcome.
- Both KPIs and OKRs can be used together to help an organization improve.

● SMART

SMART goals stand for Specific, Measurable, Achievable, Realistic, and Timely. The key difference between SMART goals and OKRs is that OKRs focus on keeping work aligned with the organization.

Main Takeaways

- Clear and concise objectives are critical
- Inspirational and directional focus is important
- Best possible results should be the aim
- OKRs and SMART are similar in that they both require clear and concise objectives, but OKRs also focus on aligning the entire organization towards the most important near-term outcomes.

