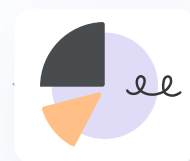Unlock:OKR

www.unlockokr.com

Annual Planning
with OKRs

Making Next Year –
Your Organization's Most Prepared Year

Table of Contents

UNLOCK:OKR

Why Annual Planning with OKRs?

"Before anything else, preparation is the key to success."
- Alexander Graham Bell

Without a concrete plan, you cannot set your company up for success. Annual planning becomes the most critical factor in achieving this success. You must clearly understand where your organization is going, how to define success and a clear comprehension of how to execute the mission and vision of your organization.

OKRs are powerful because they help you chart a roadmap for achieving your most ambitious goals. During this OKR journey, you have several checkpoints to trace where you are. If unexpected hurdles obstruct your path during the OKR journey, your organization can make changes for the better and adapt. Here, everybody knows what they should do to propel the business forward.

You must also understand that annual planning does not happen in a single leadership meeting. It will take some time to plan, and it is worth preparing your teams for the coming year. Remember, OKR and strategy go together. Hence, the senior management and OKR consultant must be present when deciding on your organization's annual objectives and key results (OKRs).

This eBook is no less than an annual planning guide for you, where we take you step-by-step through all components of planning with OKRs. As you carve your path to success through the various steps in the guide, you should know precisely where your organization is channelized in the year to come and how you will attain the most ambitious plans of the year. Ready to hit the ground running?

Prepping for Annual OKRs Before the Commencement of a Year

It is essential to plan your OKRs well in advance so that your year goes smoothly. Deciding on the objectives and key results isn't easy. You cannot just keep a meeting at the beginning of the year and expect everything to fall in place. You will have to set the base at least two to three months before beginning a year.

People who must be involved

Deciding on the OKRs for a company is a strategic decision. It needs the involvement of vested people with any decision-making powers in the organization. It would help if you involved executives and senior-level leadership for two to three months at the minimum before finalizing the OKRs for the year.

Activities to Do

It is recommended that organizations begin yearly planning four to six weeks before the new year begins. To explain this further, CEOs and senior-level leadership must meet and discuss yearly corporate goals for, let's say, 2023, two to three months before the start of the year. At this time, the C-Suite should also discuss the company's first-quarter objectives.

UNLOCK:OKR

Reflecting on the past year's OKR performance

Before you start developing new goals for the forthcoming year, reflect on the last year's annual goals. Suppose you have successfully implemented all the past year's goals, be ready to celebrate! But if you are an organization like others, you should adjust your annual OKRs according to today's times.

There are a few questions that you should ask yourself and your team while reflecting on your last year's goals:

⭕→ Which of your predetermined objectives and key results are no longer valid?

⭕→ How did the pandemic and other external factors affect the completion of your annual goals?

⭕→ Are any goals left that you want to carry over for the next year?

⭕→ What is the learning from the goal(s) we could not reach?

⭕→ Were the OKRs that were drafted good enough? If not, are there any ways to bring about a change in writing OKRs for the new year?

You can plan for OKRs for the next year once you have visited your last year's OKR performance. A point here is that objectives and key results are always a learning experience. You may hit 100% on an OKR, yet you can learn something from your achievement.

Besides, when planning for annual OKRs, discussions cannot be just one or two. They might take a couple of weeks. Realism is critical on the time planning takes and the key stakeholders who must be a part of the decision-making process.

Steps to create your OKRs

Write

Before writing your company OKRs, ensure that the company has a set vision, mission, purpose, and values. Once everything is in place, decide on the objectives and key results you want to establish for your company. Decide on a minimum of 3 to 5 OKRs that you want to be implemented in the organization. Either choose committed OKRs or go with aspirational ones.

**An aspirational OKR** refers to an ambitious goal that has no clear path. It is not easy to achieve an aspirational OKR. There are chances of it rolling over year-on-year, and there may be a change in the ownership.

A committed OKR is easy to accomplish as compared to aspirational OKRs. You should adjust resources and schedules to ensure you progress well on committed OKRs.

Annual objectives may come more naturally to seasoned executives or those with a well-established goal-setting process. It is often not about charting a new track but instead tweaking the direction of previously successful goals and objectives and sketching a slightly different course.

If, however, this is your first time implementing OKRs, or you are looking for a structure to establish best practices, five broad categories are worth consideration.
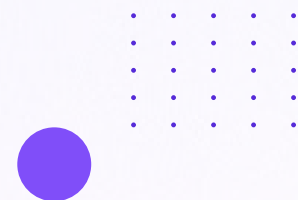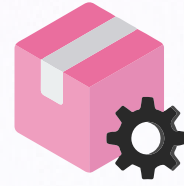
Profit:

Profit is the primary motive of any company, as it fuels growth and helps you expand your business. Set objectives that direct the company towards maximizing profits. You can target the finance team or the sales team with these objectives.
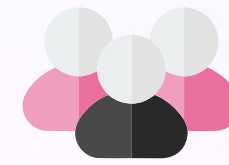
Product or service:

The second objective should revolve around your product or service. You have several internal goals for your product or the things that you want to sell in the future. You can direct a few of the OKRs solely towards your product.

People:

People play a significant role in any organization, and hence it is crucial to have the right people around. You can set a few goals around hiring, company culture, employee engagement, etc.

Promotion:

You can have different goals around marketing and advertising so that your business becomes well-known and gets a market standing.

Progress:

Businesses are all about moving forward, and hence you must have some goals that will take the business in the right direction.

UNLOCK:OKR

Edit

It would be best to take a few days off once you are done with brainstorming and drafting the OKRs. Now, you know the first draft is prone to some changes. It would help if you got ready to make a few changes to the objectives and key results written. You should glance through all the OKRs and make sure they adhere to OKR superpowers:
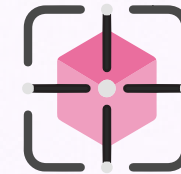
Focus:
You must focus on the company's objectives and then decide which OKRs can be eliminated.
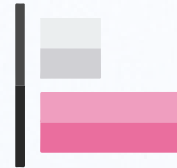
Alignment:
There might be a case where you would have forgotten to consider some stakeholders. You will have to revisit those OKRs.
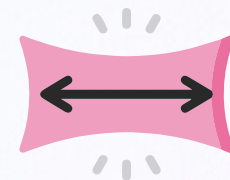
Tracking:
When you run a pilot of the OKR, you get a better idea of whether the OKR written works for the organization.

Transparency:
You must check for any unseen implications or challenges that you might face during the implementation of the OKRs.

Stretch:
All the OKRs should push the company forward. They must pass the check if they are all taking the company forward.

Align

Once you edit all the OKRs, you need to align them with the company's overall objectives. Your OKRs should align with the primary objectives of every company like:
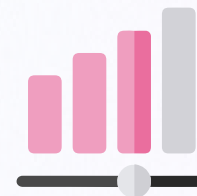
○→ **Maximizing revenues**   ○→ **Making customers happy**   ○→ **Getting into a new market**

To ensure that your OKRs are aligned, you can use the PLOT framework to understand the process better. The PLOT framework expands as follows:
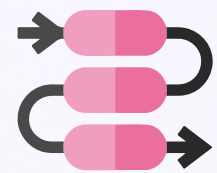
Process:
You must know what you are trying to achieve with a particular OKR.

Level:
You must be clear about the level at which the OKR is being implemented. It could be an organization, team, or individual.

Owner:
You must be able to identify the stakeholder responsible for the success of the OKR.

Time:
Also, it must be defined if the OKR must be achieved quarterly or annually.

UNLOCK:OKR

Measure

Measuring the performance of your OKRs is equally essential. The progress on your OKRs may be tracked as a percentage, currency, numbers, or yes/no. As you score your progress on the key result, how far you have achieved the objective becomes visible. While planning for the KRs, you must consider start and endpoints, i.e., where you are now and where you want to reach at the end of the period, typically a quarter. The following section enlists a few of the OKR examples where you will learn how to draft your OKRs.

Annual Company-Level OKR Examples

Before looking at annual company-level OKR examples, remember to have between 3-5 objectives. These objectives should describe "what" must be achieved at the organizational level for the year. Each objective should have three to five measurable key results. This implies that a metric should be associated with an OKR. OKRs are qualitative, ambitious, actionable, and time-bound.

Example 1

Objective : Enter the European market to capture a 20% market share from the competitors

Key Results :

- 90% of account executives work on and finish a territory strategy presentation
- Increase the number of multilingual sales executives to 3 from 1
- Reduce sales cycle to 20 days from 40 days

Example 2

Objective : Increase brand presence online to attract and build new prospects

Key Results :

- Increase the number of sign-ups to the website to 20,000 from 10,000
- Improve the DA score of the website to 24 from 20
- Better search engine rankings for top keywords to 4 from 8

Example 3

Objective : Expand the business faster to emerge as a sustainable business leader

Key Results :

- Increase the number of bookings to $230M from $150M
- Retain gross revenue by 86%
- Gain in Annual Recurring Revenue (ARR) to $970M from $500M

To make your job easy and fast, download free editable OKR templates.

UNLOCK:OKR

The First Few Weeks Post Implementation of Annual OKRs

Annual OKRs are well-planned, and they go through rigorous checks before they are implemented across the organization. Keep a close eye on how the planned OKRs are performing and take immediate corrective measures if you spot any deviations from the plan.

UNLOCK:OKR

People who must be involved

The entire company must be involved during the new quarter to be on the same page. Everyone in the company should be clear of the expectations. They must also know about the direction in which the company wants to grow in the future.

Activities to Do

Team leaders should roll out team OKRs in the first few weeks of the new year or the new quarter, ensuring they convey the right expectations. This is the time to start planning regular check-ins throughout the quarter and a mid-quarter review. During this time, your employees must review and score their progress on the OKRs. The cycle repeats each quarter, with the team's and company's quarterly OKRs always aligned with the organization's annual goals.

UNLOCK:OKR

Ready to Outshine Your Competitors?

You have learned how to go about the annual planning process. When you create annual plans leveraging the power of an OKR tool, you align individual OKRs with the organization's OKRs. As employees become well-aware of their responsibilities and their role in helping the organization reach the desired goal, they become an integral part of the annual planning process.

Are you ready to make next year – the most prepared year yet? If not, never hesitate to ask for help. Our Unlock:OKR consultants are readily available to explain the relevance of OKRs and set your company up for success in the year ahead.

UNLOCK:OKR

Annual Planning Timeline – In a Nutshell

2-3 Months Before the Start of a Year

- Annual planning meetings, conversations, and discussions

- Involvement of C-level executives

- Write company-level annual OKRs and Q1 company OKRs

A Month Before the New Year

- Company-level annual OKRs communicated to team leaders

- Discussion on focus and priorities

- Team's Quarterly OKRs aligned with the company-level annual OKRs

- Workshops to educate and engage teams

First Few Weeks of the New Year

- Rolling out Q1 OKRs

- Communicating the right expectations to the team for the quarter

- Team OKRs cascaded to individuals

- Regular check-ins schedules, mid-quarter, and end-of-quarter reviews

UNLOCK:OKR

About

Unlock:OKR

Unlock:OKR, a funded enterprise B2B company, is the industry leader in OKRs and goal management. Our mission at Unlock:OKR is to enable teams to focus, align, and execute their strategic goals using the OKR framework and create a culture of transparency and agility.

The product, a goal management solution, is easy to use and supports the OKR framework used by popular tech companies like Google and LinkedIn. Unlock:OKR embeds itself in users' daily workflow with rich integrations and provides intelligent insights to identify and address goals that might be at risk before it's too late. Unlock:OKR has received positive customer feedback and is trusted by global brands like Cherwell & Alcon. Headquartered in New Jersey, Unlock:OKR has been named one of the fastest-growing companies.

We are
SOC 2 Certified

Unlock:OKR

CONTACT US

Mail us info@unlockokr.com

Visit us www.unlockokr.com

Call us +1(609)606-9977

FOLLOW US