

Achieving results through FAST action

By Mark Pfeifer, director of Bishop Toomey and Pfeifer Chartered Accountants, Christchurch.

In previous articles, I have shared my REACH formula; Results = Eliminate + Automate + Concentrate + Help (Delegate) to help you free up time to invest in activities, that will multiply the future RESULTS you want to achieve in your business.

Recently, I was given a book for my birthday, titled *Measure What Matters* by John Doerr, an American venture capitalist. It was about achieving Objectives & Key Results (OKRs for short), through a management methodology that helps to ensure that a company focuses efforts on the same important issues throughout the organisation and the ideas fitted so well with my REACH formula.

OKRs have contributed to the success of Google. They adopted the concept back when they had 30 employees and continue to use it today with more than 80,000 employees.

If you are a team of one or thousands, this framework can work for you. Like a Swiss army knife, it suits any environment, is simple to use and it's the tool to get the job done, it has what you need to get results.

A definition for OKRs

Objectives: WHAT is to be achieved

Key Results: How we get to the objectives.

Being a rugby league fan, let's use a sports team, the New Zealand Warriors, to explain OKRs.

At the start of the season the vision for the year is set, with desired objectives planned.

For example, to win the premiership, have sold-out stadiums and have a growing number of loyal fans.

What Key Results need to happen to reach these objectives?

What specific, measurable and quantitative actions are needed to make it happen?

To achieve these objectives, a squad of players is required, along with a coaching and support crew. Each player is responsible for tasks relating to their specific role e.g. the goal kicker kicks the goals or the half back distributes the ball quickly or the fullback is the last line of

defence.

The support crew, including trainers, coaches, managers etc ensure the players are well prepared e.g. hydration, nutrition and training routines that are best suited to each player. The coach is looking at the overall objective of putting the best team on the field, controlling those elements he can, and giving guidance to produce the best outcome, ideally a win for the team and fan enjoyment.

The PR department takes care of team communications and deals with all that entails, just as the promoters are responsible for getting the fans to the game.

It is the same with any business. You set your vision and have goals and objectives you want to achieve, and you track and monitor your progress along the way.

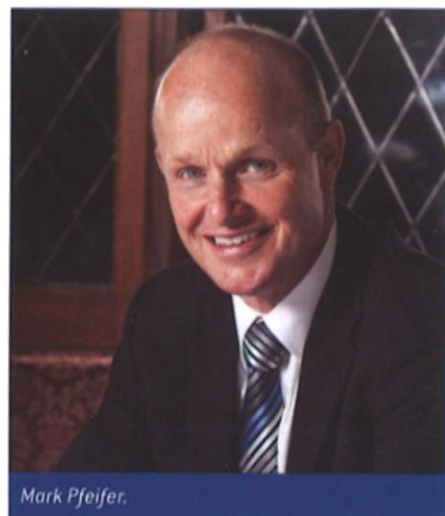
OKRs bring transparency. Each quarter, objectives are set with key results to be achieved within a specific framework, where objectives come from both top-down and bottom-up.

Benefits of the OKR system summarised with the acronym **FAST** are as follows:

Focussing - "Focus means saying no to the hundred other good ideas that there are, most of all leadership cannot confuse activity with accomplishment" – Steve Jobs.

Vision statements and annual plans are forward-looking and crucial to your business. OKRs force you to focus these into quarterly objectives. What is it that must happen in the next quarter, that is imperative to realising your annual plan and vision?

Aligning - One of the major benefits of implementing an OKR strategy is corporate alignment. Getting the entire organisation focussed on the company's most crucial objectives is key to employee engagement and ultimately success in the market.



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Stretching - OKRs are not about everyday objectives, simple tasks, or 'to do' lists. They help organisations to leave their comfort zones, to be aspirational, to set objectives that lead to making a real difference.

Tracking - The OKR methodology is designed so that objectives and their key results can be tracked, graded, adapted and improved upon over time. OKRs should be looked at as an opportunity for continuous improvement in your goal-setting strategy.

Rugby league players and other sporting codes now have GPS tracking in their jerseys. This enables the coaching and support team to gather statistics, which aid with the development of each player to improve their performance and results. This contributes to the future objectives of winning the premiership, having sold out stadiums and a growing number of loyal fans.

It is the same in business, the more data we have, the better decisions we can make. Accounting is the language of business. We have a mantra in our firm "Know your numbers to grow your numbers", do you know yours?

I will finish with the wise words of English mathematician Karl Pearson . . .

"That which is measured improves. That which is measured and reported improves exponentially."

Until next time . . . tick tock