

The
Pragmatic
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Guiding Star OKRs

A New Approach to
Setting and Achieving Goals



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Guiding Star Key Results

Using quantitative examples—target numbers—when communicating your future vision can be a powerful tool. Not only do these key results (the “KR” in an OKR) ensure that the organization agrees on the objective (the “O” in an OKR) it’s striving for, but they also provide a more aligned understanding of the objective in practical terms. Additionally, these numbers make it easier for stakeholders to grasp the vision’s consequences and potential impacts.

In this chapter, you’ll learn what key results are, what they should and should not include, and how they relate to the objective. You’ll also learn some best practices for writing key results and how (and why) guiding star key results differ from traditional OKR key results. Let’s start with the most fundamental question.

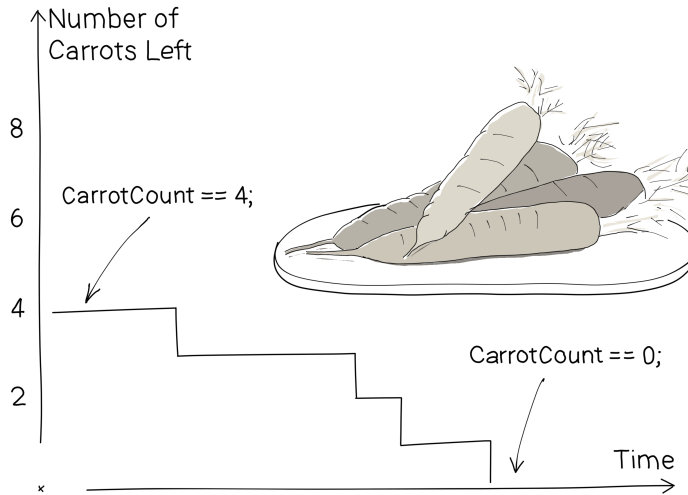
What Is a Key Result?

In the previous chapter, we established that objectives are qualitative outcomes that envision a shift in behavior. Key results, on the other hand, are the observable or measurable properties—the quantitative results—that indicate that this outcome has occurred. It’s important to emphasize that these key results are *the result of*—not the cause of—the change we want to see. That’s why the acronym OKR ends with “R.”

For example, consider the objective, “A dinner enjoyed by everyone.” A possible key result might be, “The carrot plate on the kitchen table is empty.” One cause of this outcome is, of course, that we cooked a delicious meal, as shown in the [image on page 4](#).

A Variable

You may think of the key result as a variable. The moment you decide to work toward a guiding star, the variable has a starting value (X), and if you achieve



your objective, the key result will have a target value (Y) at that time. So you can format the key results as follows:

[property metric]: from [starting value] to [target value]

Although achieving your target value is important, monitoring the journey is equally valuable. Key results help you observe change as you develop viable features designed to realize your objective. This monitoring provides input for prioritizing ongoing tasks and making decisions about whether to adjust key results along the way.

Not Activities

Note that key results are not tasks. The insurance company that formulated its objective in the previous chapter as “My accidents and injuries are prevented” could have the following key results:

- Percentage of customers using preventive safety features in the app: from X% to Y%.
- Number of accidents among insured drivers: from X to Y.
- Average claim cost per accident: from X dollars to Y dollars.

Intentionally, none of these three examples clearly state what that insurance company should do, since tasks are defined later in the company’s agile planning. Tasks cause change; they’re not the result of it. Therefore, never start a key result with verbs like launch, create, develop, deliver, build, make, implement, define, test, prepare, or plan. Don’t even start with increase or

reduce, as the desired direction of change is implied by comparing the target value Y to the baseline X.

The combination of a single objective and two to five corresponding key results forms a guiding star OKR—that is, a desired outcome and two to five properties that should emerge as a result of that outcome.

Remember, although key results quantify and concretize your guiding star, the objective ultimately determines success. Key results are indicators—not definitive proof—that your objective has been met.

The Short Answer

The short answer to the question, “What’s a key result?” is:

- a property metric of your objective that
- has a starting value (X) today and
- later has a different target value (Y) that is
- a result of the objective being achieved.

Let’s put this theory into practice with some examples.

Telecom Company:

- *Objective:* The world around me seamlessly blended with digital information and interactions, wherever I go.
- *Key result 1:* Percentage of users accessing and utilizing personalized AI-powered services: from X% to Y%.
- *Key result 2:* Number of new innovative applications and services developed by third-party developers leveraging the 6G network: from X to Y.

Tax Authority:

- *Objective:* Easy for me as a citizen to file my taxes.
- *Key result 1:* Average time to complete a digital tax return: from X minutes to Y minutes.
- *Key result 2:* Number of incorrect tax returns: from X to Y.

Industrial Tools Company:

- *Objective:* Be a complete partner for me as a truck assembler.
- *Key result 1:* Delivery time for customized tools: from X days to Y days.
- *Key result 2:* Percentage of customers using the company’s digital support platform: from X% to Y%.

Purpose-Driven Development

Imagine a company, Michaní, Inc., that consistently falls behind its competitor, Astéria, Inc. The sequence in which each company addresses its purpose, metrics, and activities differs:

- *Astéria, Inc.*: Determine purpose (direction) → Define metrics → Plan tasks
- *Michaní, Inc.*: Plan tasks → Define metrics → Determine purpose (direction)

This difference has significant consequences when the two companies develop their personal finance apps.

Astéria begins by defining the purpose (“users gain control of their finances”). Then, it defines metrics to quantitatively monitor that journey (“increased savings rate,” “reduced debt levels”). Finally, it plans tasks that directly contribute to these metrics (“develop a budgeting tool,” “integrate with bank accounts for automatic tracking”). The result is an app focused on creating value for users by empowering them to make informed financial decisions.

Michaní operates in a reverse sequence. It starts by planning tasks (“create a flashy UI,” “implement cryptocurrency trading”). It then defines metrics (“number of app downloads,” “average time spent in the app”). Finally, it tries to find a purpose that fits these tasks and metrics. The result might be an app with many features but without a clear focus on users’ financial well-being or goals.

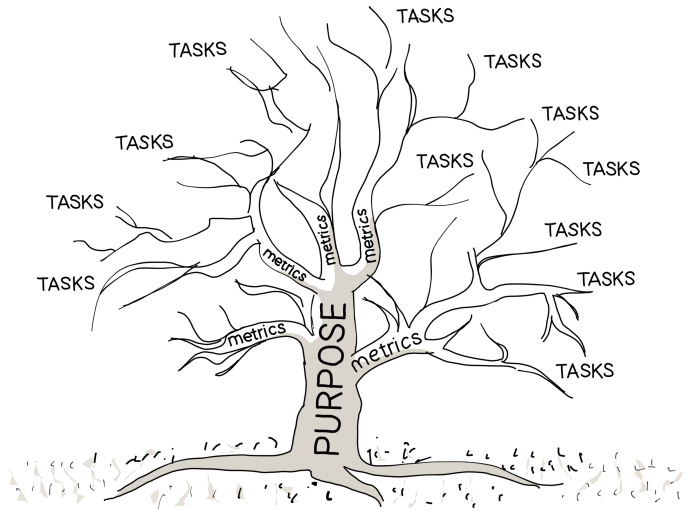
Organizations that operate like Michaní usually engage in tasks that are based on old habits, a will to copy competitors, or a vague notion of a potential future benefit.

You probably noticed that Michaní’s last two steps—defining its metrics and purpose—are a waste of time, as its tasks are already planned in the first step. Unfortunately, the vision is reverse-engineered.

In guiding star OKRs, you always start by setting the purpose. This purpose informs the choice of metrics, and only after the metrics are defined do you consider the question of “How?”, that is, which tasks to plan, as shown in the [image on page 7](#).

The purpose—the direction—is your objective (the “O” in an OKR), and the metrics are your key results (the “KR” in an OKR). Based on that, tasks are defined in the agile planning.

Never engage in setting objectives or key results when tasks are already determined.



How Key Results Relate to Agile Planning, Calibration, Catchball, Cross-Pollination, Discovery, and Objectives

In our messy reality, relationships between things are often as important as the things themselves. To understand the relationship between key results and various processes, see these chapters:

- New knowledge from Discovery often influences your objectives and your key results (see [Chapter 3, Discovering Customer Opportunities, on page ?](#)).
- You develop your objectives and your key results collaboratively in the Catchball process (see [Chapter 4, Catchball: Defining Guiding Stars Cross-Collaboratively, on page ?](#)).
- Where the rubber meets the road, new insights may arise that lead you to adjust your key results in Calibration (see [Chapter 6, Calibration: Fine-Tuning Guiding Stars, on page ?](#)).
- By keeping your key results alive and top of everyone's mind with Cross-Pollination, you reduce the risk of "set-and-forget" (see [Chapter 7, Cross-Pollination: Everyone's Ears, Insights, and Ideas, on page ?](#)).
- The order of operations is crucial when you define and plan objectives (see [Chapter 1, Guiding Star Objectives, on page ?](#)), key results (this chapter), and viable features (see [Chapter 5, Pupation: Integrating Guiding Stars with Agile Planning, on page ?](#)).

Even the world's best key results have no value if they don't integrate well with the other processes in the Guiding Star OKR framework.