

# The Roundtable Debate

How do you set product  
OKRs properly and use them effectively?



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The use of **Objectives and Key Results** – usually known as OKRs – has been growing steadily in business for many years now. Google began using them in 1999, and every year since, it appears that 1,000s of other companies join them, especially in the technology sector.

It's an adoption curve that has grown much sharper over the last two years. Yet the successful implementation of product OKRs is not a given. Just because they work for Google, it does not mean that they will work for others. Effective use of OKRs involves many moving parts, not least of which is a clear understanding of the overall framework.

In January 2022, airfocus gathered some of the industry's most renowned thinkers and writers on product OKRs to consider what it takes to set OKRs properly and use them effectively ongoing. They discussed why product OKRs have increased in popularity, what mistakes organizations make when using them, and advised on successful implementation.

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## ON THE PANEL WERE:



**BERNHARD HECKER**  
Product Leader, Founder  
value.digital



**ROBIN ZARAGOZA**  
Founder & CEO  
The Product Refinery



**KENT MCDONALD**  
Product Manager & Writer  
KBPMedia



The panel was moderated by **ANDREA SAEZ**,  
former Senior Product Manager at airfocus

ANDREA SAEZ, [airfocus](#):

**Love them or hate them, OKRs are becoming a popular product trend, particularly over the last two years. What do you think has been behind that trend?**

KENT MCDONALD, [KBP.media](#):

My slightly flippant answer is that many people are doing it because Google did it, and Intel before that. They heard about this cool new technique and thought, 'Hey, we should try that out.' More seriously, I think it has become more prevalent as organizations have been looking for some way to help them adopt the idea of making decisions and measuring progress, and tracking success based on outcomes rather than output. Measuring outcomes can be difficult, and organizations are looking to OKRs as a way of helping them figure that out and confirm that they are heading in the right direction.

ROBIN ZARAGOZA, [The Product Refinery](#):

I completely agree with Ken. On top of that, teams and companies have always had goals, but the really attractive part about OKRs is that it's a framework. It has best practices associated with it. It tends to be something that we as product people gravitate towards, using frameworks to think about things and approach them and find what works and what doesn't. If you have a place to start from, it makes it a lot easier.

Many teams are interested in it because they are trying to make sense of the chaos, and it helps them do that. It also really helps with decision-making, specifically prioritization and what to say yes to and what to say no to. That's one of the biggest challenges we have in product because a million different opportunities are coming our way every day. How do you decide what you will focus on and build? And this becomes the way to make that decision.

BERNHARD HECKER, [value.digital](#):

I also agree! But I can add to this too. Why are OKRs so successful? Yes, of course, because Google did it, and it's something of a trend. But on the other hand, it's a very structured way of communicating the company's direction throughout the entire organization. It's a communication tool and a structured way of getting things done. It's also easier to attract talent when you use OKRs because new applicants understand how you work, and it's easier to get them up to speed in their new job. So, it's both a talent attraction and a talent ramping-up tool.

ANDREA SAEZ:

**We have already touched on some product OKR benefits, but why do you think product managers should adopt OKRs, and what other benefits are there to the organization?**

ROBIN ZARAGOZA:

I like to work with OKRs by using it as a framework and attaching something like Teresa Torres's opportunity tree underneath it. I'm saying that because this is one of the benefits of OKRs, how it slots into how we start to think about customer desires, customer problems, and potential solutions underneath it. Also, one of the benefits is that it lends itself well to experimentation.

The whole point of OKRs is to say, 'this is the direction we want to head in, and this is what we want to accomplish.' But it's also acknowledging that what you do isn't necessarily going to deliver the results you want. That means OKRs let you talk about the metrics you are trying to hit, what you have prioritized and why, the bringing together of customer problems and solutions, and how you measure everything. If you don't reach those metrics, you have a further conversation about what else you can try and keep everyone focused on accomplish-

hing those metrics.

OKRs really help with that dialogue around what teams are working on, which delivers great value to the organization.

**KENT MCDONALD:**

I would double down on the focus aspect of it. Because one of the things that I've experienced, and a lot of the software products that I've worked on have been for use inside organizations, is that it's easy for those types of efforts to get laser-focused in a way that isn't adding value. People get obsessed with delivering a set of features generated at the beginning of the project, even though they realize they do not need even half of them as they get into it.

Using objectives to guide when goals have been accomplished and then moving on to something else is very beneficial. Just building features because that's what was agreed initially is counterproductive.

**BERNHARD HECKER:**

I think that implementing and using OKRs in product helps you change your way of working and thinking. It gets you out of the feature treadmill that you stumble into. With these OKRs, you do not look at those features and timeframes that much anymore; you just change the way you look into why you are doing things and what you're aiming for. That's why OKRs help a lot.

**ANDREA SAEZ:**

**Let us look now at the flipside of that. What do you think about potential pitfalls when adopting OKRs?**

**ROBIN ZARAGOZA:**

When I've personally failed with OKRs is when good strategy isn't in place. It's hard to implement them when there isn't the infrastructure around you. If the strategy is all over the place, OKRs will be useless. So that's the biggest thing - if you don't have a clear strategy, then OKRs will be project management more than anything else.

**BERNHARD HECKER:**

Don't overdo it. Don't do it as a new religion. A few years ago, everybody wanted to be agile, and there were semi-religious movements around being agile left or right. OKRs tend to have the same effect on companies. People think they must do OKRs in the same way that Google does. That is not the case at all. You must do it the way that helps your organization.

**ANDREA SAEZ:**

**I would add to that and say don't use OKRs as a list of things to do. And make sure they are measurable in some way because that's the whole point behind them.**

**Moving on, do you think that OKRs work on companies of every size, from startups to enterprises? And when does it not work?**

**ROBIN ZARAGOZA:**

I learned the hard way with my own business that OKRs do not work when you're pre-product-market fit. And it's so ridiculous that I did

not realize that at the time because you need to have a strategy to have OKRs, and if you're pre-product-market fit, your strategy will be changing until you land on that.

I found that if you're super early and just trying to figure out what customers you are serving or what your solution looks like, OKRs might not be a good fit for you.

**KENT MCDONALD:**

I'm not sure that it's so much size of the company as it is some of the stuff that goes around it. A company that won't have much success with OKRs is one that's unwilling to partake in the whole idea of experimentation or leaving the feature factory for. If an organization can't or won't do that, then OKRs probably won't be successful.

**BERNHARD HECKER:**

It's going to be difficult if you do not have the buy-in from everybody who is affected by what you do with your OKRs. If you only use OKRs in your product organization, for example, everybody involved should at least know what you do and have access to it. So, make them transparent so that people see what you do because I believe it's one of the strongest communication tools you have. If you implement it across the entire company, you must use a common language and a standard way of doing it; otherwise, it will get lost in translation.

If you want to run OKRs in a global company, you need a solid global common company culture. Because otherwise, people use language differently, and then they use OKRs differently. That makes the entire thing for the organization super complicated.

**ROBIN ZARAGOZA:**

Just to add to that, when a product team is working on sales-led products, as opposed

to product-led, that can also be a recipe for disaster. Because the concept of OKRs is about empowering the product team to make decisions and build products according to the key results. If there is that tension already that they have to build what the sales team has sold, especially where it's contractual based, OKRs will be more around project management.

**ANDREA SAEZ:**

**How do you convince the rest of the organization to adopt OKRs, not just for product but also company-wide?**

**BERNHARD HECKER:**

You got to sell it to the organization. If you have an idea, whether that's a new product, something new that you want to try out, a new market that you want to enter, or something that you want to change in the organization, you have to convince everybody to jump on the same train, join you, and come on the journey with you.

It's really a sales job. If you think OKRs are what you need to make life for you and your team better, and the outcomes you focus on are more efficient or more valuable for the entire company, you should be able to convince the rest of the organization to do that. If you want to have it implemented in the whole company, it has to have the buy-in from the leadership team.

**KENT MCDONALD:**

You must keep in mind what everyone's incentives are and get them aligned. One of the main things to worry about when trying to get buy-in is, are their incentives aligned with buying into doing that? If they have other things driving them not to want OKRs, that will be a significant block to adoption.

**ROBIN ZARAGOZA:**

I agree with the need to sell OKRs, but sometimes you just have to say, 'the proof is in the pudding' and show that it works. You can hand someone a book, you can do presentations, but until they see it working, it's going to be more challenging to bring them on board. Adopt OKRs on your team. Figure out what works, what doesn't, and then make a case for it.

If you're a product manager or even head of product at a large company, the chances of your making enough waves without proof of success with OKRs are low. Just start with your team, find evidence, and then provide that as your selling point.

**ANDREA SAEZ:**

**Let's say you've convinced the organization to start with OKRs. The next question is, how do you write a good OKR?**

**KENT MCDONALD:**

A lot of it comes down to having a good understanding of what you're looking to get out of OKRs. I would focus on ensuring that the key result aspect of it is measurable, and you know where you're starting and where you're trying to get to.

Avoid being vague about objectives and look to gauge what would be a meaningful change in whatever metric you're looking at. Those key results should be leading indicators that you're moving toward your overall objective and that those key results are within the control of whoever the OKR corresponds to.

**ROBIN ZARAGOZA:**

Kent hit on everything I would have said for key results. But just to elaborate on the actual metrics in there, organizations should make them progress based because you don't want

to find out at the end of the quarter that you've completely missed your targets. You want to be able to know that you're headed in the right direction during the quarter.

In terms of the objective itself, it's qualitative, not quantitative. Because you have to tell a story with your OKRs across the organization to help them understand the decision-making process, it needs to be like a sales line around why you're working on this. If you decided to focus on a particular product area, have that area in the objective.

**BERNHARD HECKER:**

It's important, since I always look at this from this cultural aspect, that everybody in the company understands what you're doing, so at least people have to have a chance to know what you're talking about in your OKRs. Ensure that if somebody gets access to it, they understand what you are doing and why you're doing it.

**ANDREA SAEZ**

**We know there are company OKRs, and we know there are team OKRs. But what do you think about individual team member OKRs?**

**KENT MCDONALD:**

I'm not a fan of them. This could come from my days in the agile community. But I have found that when you're talking about working on a product team, you get a lot more lift if you're looking more at gauging performance and everything at the team level and what they're particularly trying to do on the outcome versus really honing in on the individual level. Because when you start doing that, my experience is that you start getting behaviors that can run counter to what you're trying to accomplish by having an entire team working together.

**BERNHARD HECKER:**

It depends on what you are doing. If you are running a product organization as a CPO, you could have individual OKRs. Being an accountant, you will probably overdo OKRs if the company forces you to do these things. Companies should never force OKRs on people, and it all depends on the role, the responsibilities, and what the company expects from you as an individual.

**ROBIN ZARAGOZA**

It can be interesting to use individual OKRs as part of the development process. When I've been at large companies, you have your annual or biannual 360-degree reviews, and you know where you're trying to get personally and professionally. That's not necessarily to do with product. Using OKRs for personal development plans over time as a structure for having those conversations with your manager is one circumstance where it might be beneficial.

**ANDREA SAEZ:**

**Is there a connection between roadmaps and OKRs?**

**ROBIN ZARAGOZA:**

The roadmap is a communication of what you are working on at that moment and why. So, I see them as synonymous. How you choose to communicate might be challenging if the organization is used to just output-based conversations. But I see it as very much the same thing.

**KENT MCDONALD:**

I see **OKRs as an effective way of tracking progress on the roadmap**. That's where the two can play very well together because if you have an organization with many OKRs, they can at least recognize this and identify one or two on which to focus.

**BERNHARD HECKER:**

Your roadmap is your product vision communication tool for everybody out there. It tells the world, or everybody outside of your team, what you're looking at. OKRs are an internal communication tool. There will be lots in your OKRs on your roadmap, but there will be many more things in your OKRs that are not on your roadmap. Both are powerful and important communication tools, especially for product teams. One more internally, one more externally. Inbound and outbound product management.

**ANDREA SAEZ:**

**Our final question – how do you approach leadership to evolve to more product-focused OKRs, rather than just revenue-related OKRs?**

**KENT MCDONALD:**

It comes down to understanding that you will get better results if you have teams in a position where they can be pointed in the right direction. More outcome-focused OKRs are a vital part of that. Part of that convincing process will involve showing where it succeeded in that company.

**ROBIN ZARAGOZA:**

Most leadership teams at most companies are entirely focused on revenue. First, we have to accept that. But from there, it's good to have conversations about how to get there, the indicators of success, and what things are holding the company back from making more money?

These will include customer problems, internal challenges, and process issues. Then you can start to lower the level of the conversation a bit; that's where you need to start from.

**BERNHARD HECKER:**

As Robin said, it's all about making money or bringing the company towards the goals it aims for as an organization - making investors happy, raising the organization's value.

Everybody in the company must understand that an investment in innovation, building new things, in working on your product is valuable for the company. Short-term revenue is something that you need, but there are also things that you do for the long term. If those things are not understood in the company, you will end up having OKRs that are only short-term revenue-oriented, and that's what you would like to avoid.

**To learn more  
about product OKRs**

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