THE PRESIDENTIAL PERSPECTIVE

Can OKRs Work for Us?

I had the pleasure to co-teach a strategy management program covering the entire life cycle of environmental scanning, setting goals and objectives, prioritizing initiatives, budgeting, execution and evaluation. The students came from all walks of life – local and national government, commercial organizations, and universities. It was really fulfilling to see them all “get it” by the quality of their final presentations on the last day. They were asked to choose one of the many strategic management tools we presented to discuss their organization’s situation. One of the tools chosen by the participants was “objectives and key results,” or OKRs. One student used OKRs for his nascent Church. He focused one strategic objective at the enterprise level – Grow the Church and cascaded specific objectives and key results down to the Youth Ministry, Community Outreach, and Service components of the Church.

In August I wrote about a new book on OKRs by John Doerr entitled, Measure What Matters. In preparing for the course I did some additional research and found another six or so books on OKRs on the market -- I can’t wait for Dan Montgomery’s (ASP’s 2019 Conference Co-Chair) new book on OKRs, Start Less, Finish More, to come out this Fall. I had an opportunity to review an advanced copy and I think you will find it refreshing. But books about OKRs go back to 1983’s High Output Management by Andrew Grove of Intel. So, what many have come to believe as the “latest” management technique is quite old. It goes back even further to Edwin Locke of the University of Maryland in 1968 – 50 years ago!

Locke’s research and findings on the benefit of setting specific “hard goals” gave Grove the empirical data he needed (Grove was an engineer after all) to win over Intel leaders and build the Intel process. Intel needed something as it was in tough competition with Motorola; and Intel was behind. The OKR process – that is setting a direction (Objective) and measurable milestones (Key Results) on a quarterly cadence focused everyone at Intel to win in the marketplace. Locke’s research showed organizations who set hard goals achieved better results. Grove’s approach also showed that such a focus improved employee satisfaction, lowered turnover, and increased the performance of the company.

In trying to “drink our own Koolaid” and practice what we preach, ASP is going through an exercise to apply the OKR process to ourselves. One “aha” for us is confirmed by Doerr, “…it is hard work.” We wondered how a member-based, volunteer-led organization could set quarterly goals as many non-profit associations tend to set goals and objectives on an annual basis. What I discovered in reading Doerr’s book was that even the most visible practitioner of OKRs – Google – has shifted back to an annual cycle. The key difference is that everyone reports on their progress at least quarterly, and for some special initiatives, every six weeks. So maybe the annual objectives and key results we are in the process of finalizing isn’t too far off base with the latest thinking from Google. Other non-profits have also jumped on the bandwagon of OKRs including the Gates Foundation, PACT International – a DC based international development organization, and two of Bono’s NGOs – DATA (Debt, Aids, Trade and Africa) and ONE. All report real impact and progress by focusing on what is most important. They all use OKRs as “guardrails” that provide focus.

Google uses a scoring system to evaluate how well they did. Utilizing the “GYR” – green, yellow, red – visualization technique, as well as, a percent complete scoring system. A green means that they have achieved at least 70% of the key results, a yellow is between 40 – 60%, and a red is less than 30% of the target. The other nuance of the OKR approach is having two types of objectives – committed and aspirational. In the
A system developed by Grove at Intel, committed objectives are "table stakes" – they must be met. These are the objectives that are cascaded across the enterprise for alignment and transparency. Aspirational objectives are bigger picture "stretch" goals that imply higher risk and are set at the enterprise level. Intel, as Google, expects a 40% failure rate. It is okay to fail fast and learn from mistakes.

OKRs are not by any means a "silver bullet". In any management system judgement, leadership, and a supportive, collaborative culture are needed.

I am not yet sure if ASP will fully implement the OKR management system like Google has, but we are on our way to pare down what we are focused on this coming year. We have four top priorities.

- Conduct a thorough assessment of our members and prospects to be able to better target our programs as part of continuous improvement.
- We will hone our value proposition to our existing members, members joining us from the Strategic Planning Society, including students, and prospective members.
- Begin the process to update and revise our Body of Knowledge targeting a short update this fiscal year followed by a re-invention of the BoK next year. In addition, we will deliver two issues of Strategy Magazine as part of our on-going thought leadership program.
- Celebrate, recognize and recruit volunteers.

ASP does strive to embed Intel’s “super powers” of OKRs – focus and commitment to our priorities, alignment and connection for teamwork, tracking for accountability, and stretch for amazing. To this I am committed!

Jim Stockmal
President, ASP

ASP’S ANNUAL CONFERENCE

We are looking for dynamic presenters who bring critical thinking and innovation coupled with real-world experience and case studies that will stimulate provocative conversations about how to create and manage strategic business ecosystems. **Our primary goal for the conference is to deliver practical information and real-world insights with the aim of advancing strategy through business ecosystems to address large scale opportunities and problems.**

This year’s conference theme is: **Strategy and Your Business Ecosystem**
In today’s increasingly complex society, more and more organizations are engaging in alliances, partnerships, joint ventures and other forms of active collaboration. We are being pushed to consider the strategic direction of our organizations in the context of larger business and community ecosystems that include everything from big corporations, startups, customers, and competitors, to universities, government agencies and non-profit entities. Multi-stakeholder innovations are needed to create healthy platforms for future growth. Further, millennials in the workforce are asking how their organizations are contributing to solving global and local problems.

The conference will address the unique challenges inherent in leading, defining, and implementing strategy as part of a larger ecosystem. The integration of ASP’s “Lead, Think, Plan, and Act” framework is the organizing mechanism for the conference. We will embrace diverse perspectives in the development of program content.

For more information, and to submit a proposal, please visit:

Thank You to our 2018 Conference Sponsors

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PLATINUM

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GLOBAL WEBINARS

Global Webinars is taking October off but stay tuned for details on our November Webinar.

If you missed September's Global Webinar from our 2018 Richard Goodman Award Winner, United States Government Accountability Office, click here for the webinar.

To view all Global Webinar Recording please click here.

If you would like to host a webinar, please reach out to jennie@strategyassociation.org, we would love to hear from you!

Missed a webinar? Click here to view our recorded archives.

CHAPTER EVENTS & WEBINARS

ASP NPCE Presents: Lessons from the Front Lines: Creating and Sustaining a Nonprofit

Date: October 1, 2018
Time: 4:00 - 5:00 PM (ET)

Register >

ASP NPCE Presents: What Does it Really Cost to Deliver Impact?

Date: November 5, 2018
Time: 4:00 - 5:00 PM (ET)

Register >

ASP NorCal Presents: "Agile Strategy Execution: Reinventing the How!"

Date: November 5, 2018
Time: 5:30 - 7:30 PM (PT)

Register >

ASP NorCal Presents: 3rd Annual

Date: November 10, 2018
Time: 8:30 AM - 6:30 PM (PT)

* More details to come.

ASP Presents: Welcome Webinar for New Members
Second Chance to Rock Your Business Model Design with ASP NorCal and Business Models Inc.

Date: December 5, 2018
Time: 1:00 - 2:00 PM (ET)

Register >

Click here for additional information about upcoming events in your area!

ANNOUNCEMENTS

ASP Nonprofit Center for Excellence First Mondays Series Presents: Nonprofit Strategic Planning: What Does It Really Cost to Deliver Impact?
Date & Time: November 5, 2018, 4:00-5:00 PM (ET)
Presented by: David Grecco, Founder of Social Sector Partners

When developing and implementing a successful strategic plan, nonprofit leaders, fundraising executives and board members need to have a strong understanding of the types and amount of money they need not only to deliver excellent programs but to also support the long-term sustainability of the organization. This engaging webinar will help social sector leaders understand the key pieces of financial data that are critical to making better, more informed decisions that drive organizations sustainability. This webinar will increase the comfort level of nonprofit leaders in reading and interpreting nonprofit financial statements and will enhance their understanding of:

- Increased financial awareness of staff and board members for better decision-making.
- Greater ability to assess the organization's financial health and business needs.
- Enhanced ability to communicate your financial story to board, funders, staff, and stakeholders.

The November program will be presented by David Grecco, a nationally recognized speaker, author and consultant on creating a more sustainable and effective social sector. David is one of the founders of Social Sectors Partners and has more than 25 years of experience in driving the growth and impact of social sector organizations.

Participation in First Mondays is free, but registration is required to participate. Because this is a shared event, we anticipate a large crowd and encourage you to reserve your seat quickly. Registrants will receive an email with connection information on the day of the discussion.

Register >

ARTICLES FROM MEMBERS

Unlearning #1, Benchmarking
By Dr. Paul Fifield

"The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn." — Alvin Toffler

In changing times, what we absolutely ‘know’ to be true – often isn’t any more, and if we continue to hold to what used to be true without questioning it we face a future of irrelevance.

What is Benchmarking?

"The process of comparing one’s business processes and performance metrics to industry bests or best practice from other companies"

Sounds good on paper – and it’s hugely popular, but does it do any good? Mostly it does positive harm. Viewed from the customer perspective (the source of all your firm’s cash flow and profits), benchmarking makes no sense at all.

Click here to read more.

CERTIFICATION CORNER
Call for Certification Application Reviewers

Are you an SMP or SPP certified professional looking to obtain additional credits toward your certification renewal? Becoming a Certification Application Reviewer is a great way to obtain continuing education credits while allowing you to be able to review the work of fellow industry leaders. If you are interested in lending your expertise and would like to be a reviewer or if you have any questions, please contact us at certification@strategyassociation.org.

Use our New Certification Terminology & Key Concepts Flashcards!

Our new Certification Terminology & Key Concepts Flashcards will be a great addition to your study plan. Purchase them online today by visiting our online store here.

MEMBERSHIP CORNER

Welcome to new members who joined in September 2018!

Atlanta Chapter
- Dennis Stevens, LeadingAgile

Boston Chapter
- Ahmad Alamar, CMA

Members at Large
- Sarah Moreault, Colleges Institutes Canada
- Kent Jesse, Innovation
- Onn Wah Leow
- Patrice Koblitz, Florida SBDC at Indian River State College
- Inhab Salem, MDA
- Altaf Saleem, SHakarganj Limited
- Terence Burke
- Catherine Walsh

National Capital Area Chapter
- Candice Hellyar, i2insights

Nigeria Chapter
- Michelle Balonwu

Northern California Chapter
- Sabrina Hutchins, CalPERS