

How agile teams make OKRs work

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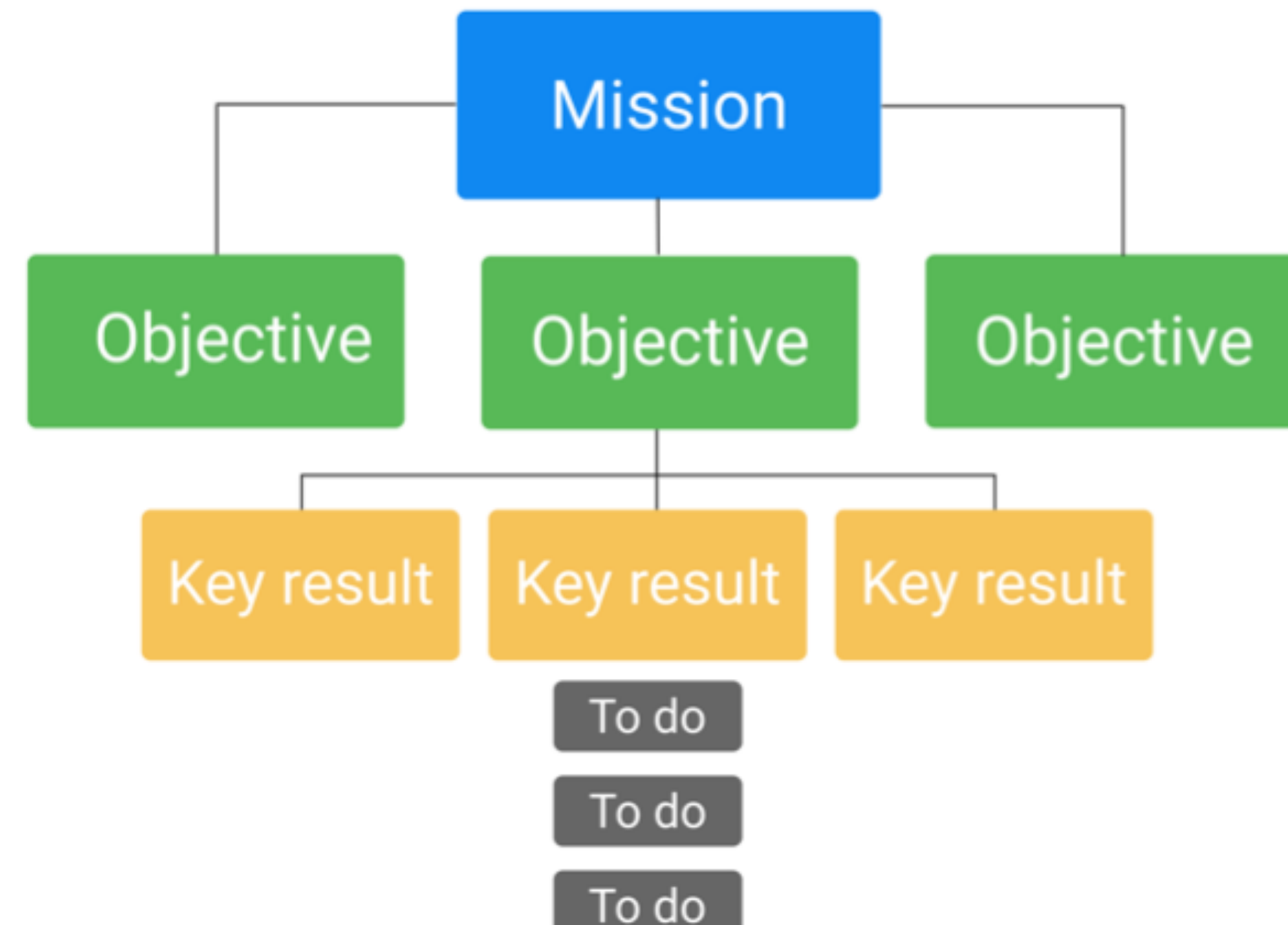
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Objectives and key results (OKRs)



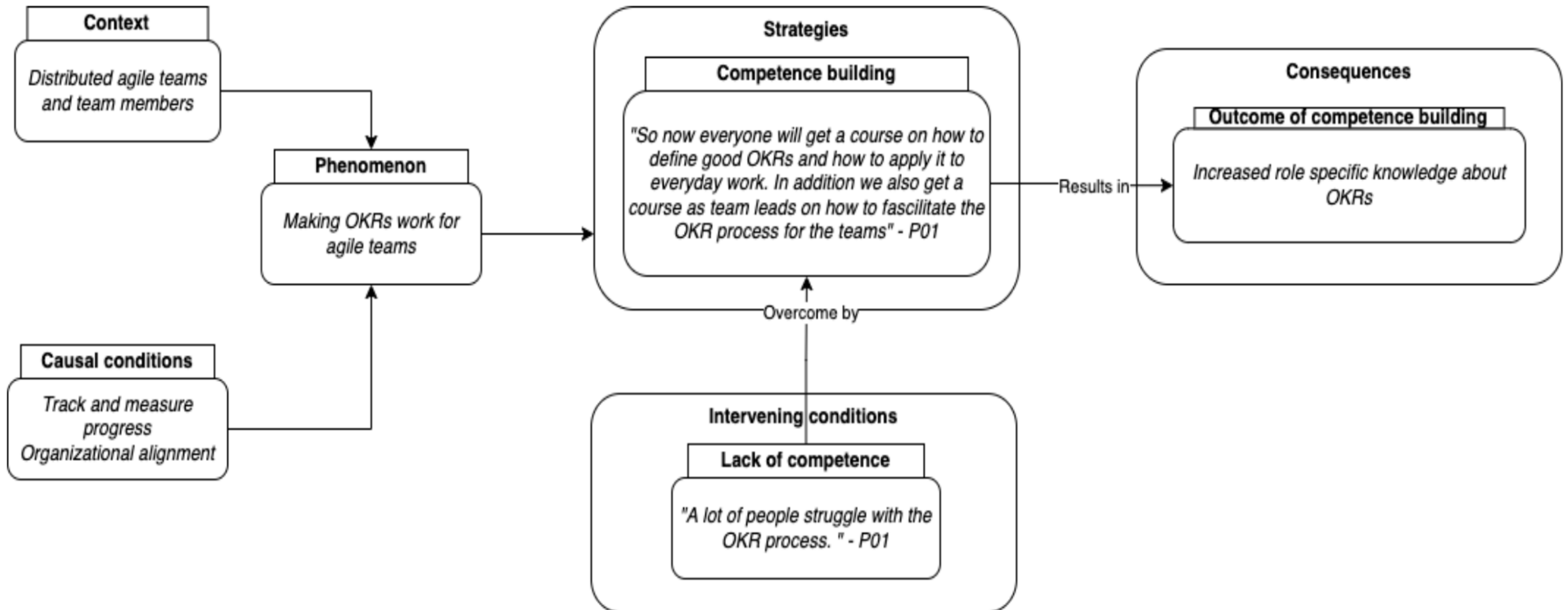
O U R R E S E A R C H Q U E S T I O N :

What strategies do agile teams apply to make OKRs work for them?

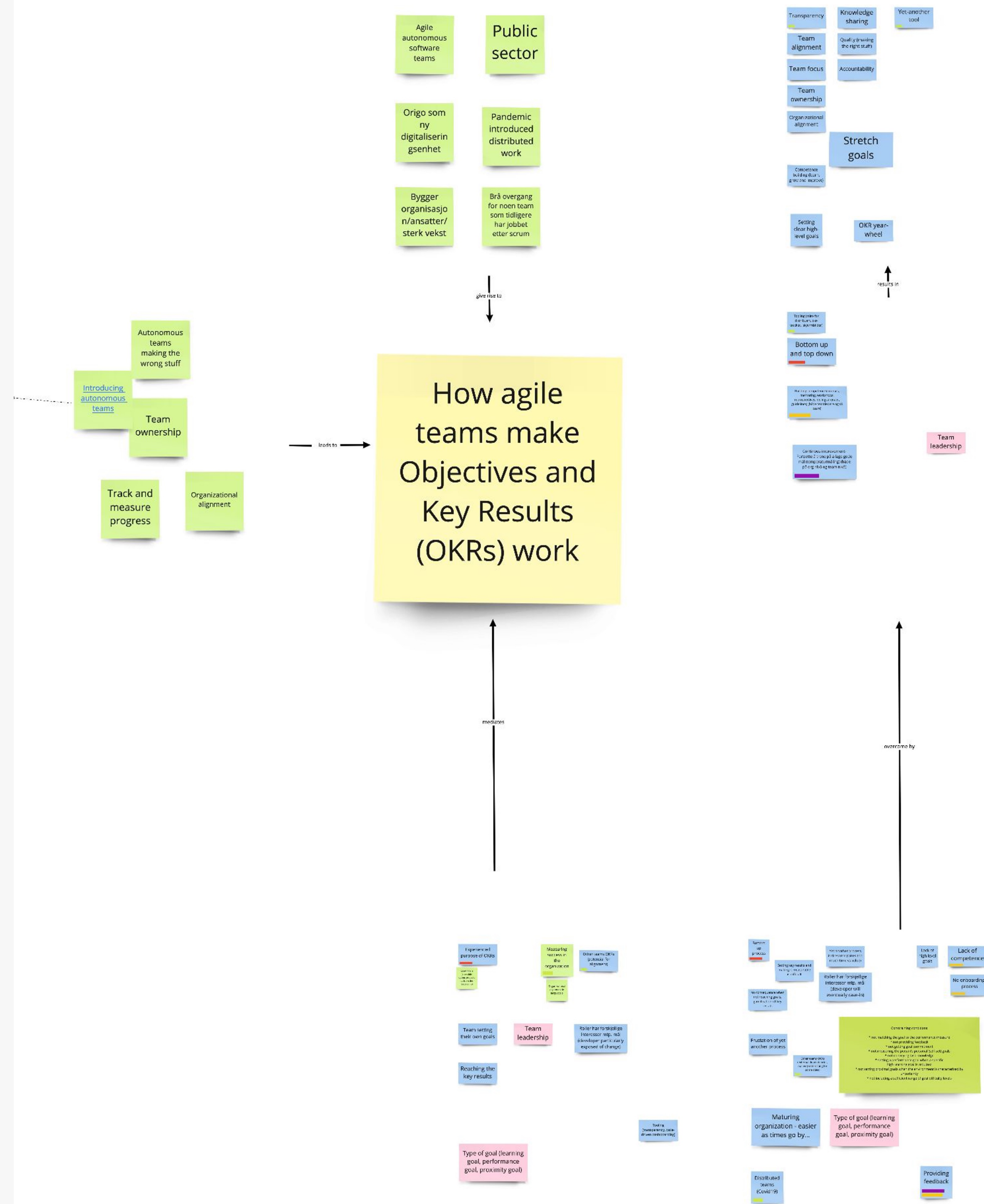
Team characteristics



Team	Size	History	Context
Alpha	10	2 years	Platform team serving other teams
Bravo	7	2 yr.	Product team
Charlie	4	5 yr.	Product team
Delta	7	2 yr.	Platform team serving team Echo
Echo	4	3 yr.	Product team using team Delta's platform



Strauss and Corbins coding-paradigm



Intervening conditions

- Perceived purpose of OKRs
- The OKR experience feels difficult and cumbersome
- Different roles, different interests
- No onboarding-process
- Maturing organization
- Organizational alignment in large scale
- Lack of competence
- Providing feedback
- Measuring success in the organization
- Distributed teams (COVID-19)



“When you have a framework that’s there for productivity, then you use several quarters to figure out how it works for your team, then you have to attend a three-day course, and then you have the OKR workshops—is it really that useful?”

Four strategies

- Top down & Bottom up
team focus, performance, alignment
- Competence building
increased knowledge, added overhead
- Tooling
transparency, alignment, ability to work distributed, data-driven organization
- Continuous improvement of the OKR process
guidelines and annual wheel, surveys, feedback to management

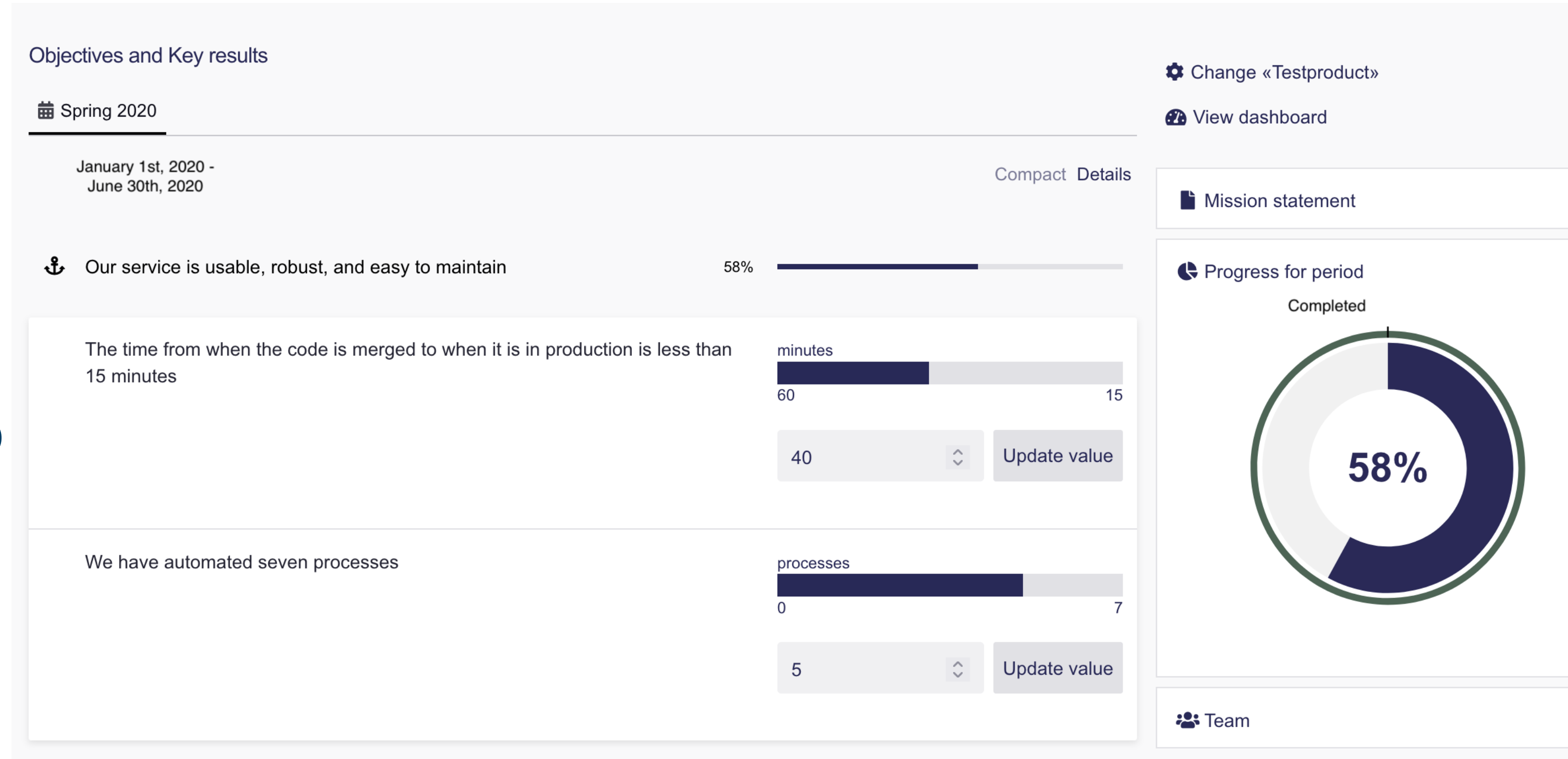


Table 2: Strategies for OKRs

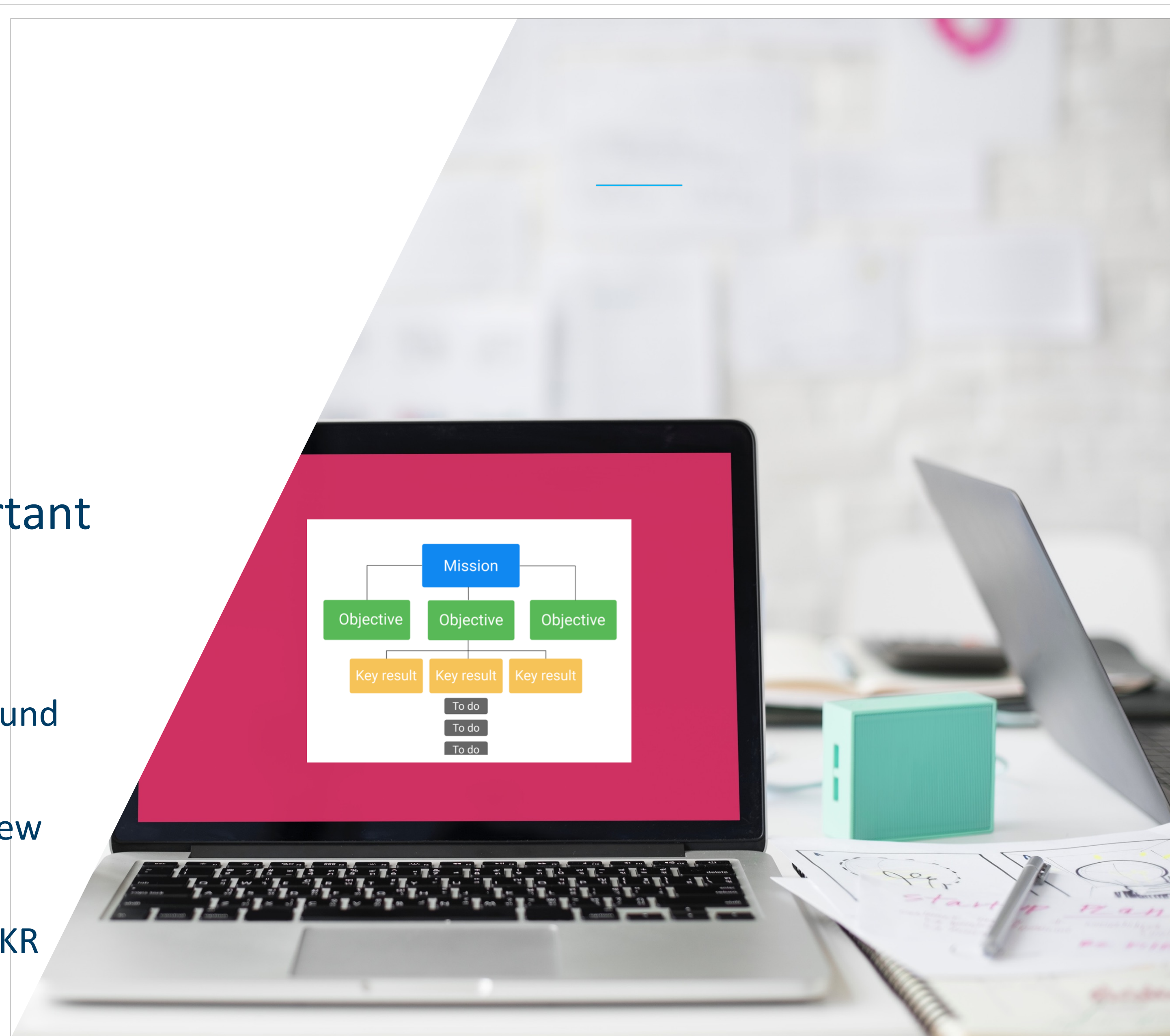
Strategy	Description	Intervening condition	Consequences
S1: Top-down & Bottom-up	OKRs were set both from the bottom-up, through the various developer teams, and top-down, from the management who were setting clear, high-level goals.	IC1 - Perceived purpose of OKRs IC2 - The OKR experience feels difficult and cumbersome IC3 - Different roles, different interests IC4 - No onboarding-process IC5 - Maturing organization	C1: Team focus C2: Performance C3: Alignment C4: Data-driven
S2: Competence building	Building competence in goal setting, and management through: <i>courses, community of practice, guidelines, mentoring</i> . The competence building targeted team members and team leaders differently.	IC2 - The OKR experience feels difficult and cumbersome IC6 - Organizational alignment in large scale IC7 - Lack of competence IC8 - Providing feedback	C5: Increased role-specific knowledge C6: Feedback to management C7: Added overhead
S3: Tooling	OKR tracker was used to manage the different goals and key result status. Slack was used for distributed communication and instant messaging. Digital whiteboards were utilized for workshops and retrospectives.	IC9 - Measuring success in the organization IC10 - Distributed teams (COVID-19)	C8: Transparency C3: Alignment C9: Ability to work distributed C4: Data driven
S4: Continuous improvement	The overall use of OKRs was described and guidelines were updated. An annual wheel was used to show how the OKR process aligned with other key dates.	IC5 - Maturing organization IC8 - Providing feedback	C10: Guidelines and annual wheel C11: Surveys C6: Feedback to management

Table 3: OKR survey results (scores from 1 strongly disagree – 5 strongly agree)

#	Statement	Alpha	Bravo	Charlie	Delta	Echo	Company Avg.
1	The OKR framework is useful for my team and me.	3.4	4.0	4.3	3.6	3.8	3.8
2	OKRs helps my team and me align on direction and focus.	3.8	4.3	4.0	3.4	3.8	3.8
3	My team uses OKRs actively while working	3.6	4.3	4.0	3.4	3.6	3.3
4	Workshops helps my team and me to set good OKRs.	3.8	4.0	3.3	3.5	4.2	4.0
5	The OKRs of the product area help my team and me to set good OKRs.	3.1	1.0	1.3	2.2	2.8	2.3

Implications

- OKRs help teams set directions and focus
- When implementing OKR it is important to:
 - Work with OKRs bottom-up and top-down
 - Work targeted with competence building around OKRs
 - Use software and tools to maintain an overview and enable transparent OKRs
 - Work with continuous improvement of the OKR process



Thank you



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How agile teams make Objectives and Key Results (OKRs) work

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ABSTRACT

Today, many companies allow their employees to work from anywhere, which has changed how employees coordinate their work and align toward the same goals. Objectives and Key Results (OKRs) is a goal-setting framework applied in such distributed settings. This research aimed to investigate how OKRs are used in large-scale agile contexts. We interviewed team members and analyzed documents, including a survey. Our study's results provide both enabling and limiting situations that make team members' utilization of the framework either easier or more difficult. We found that OKRs aided knowledge sharing and improved transparency between teams. We present four strategies used for overcoming challenges and maximizing the benefits of using a goal-setting framework. An important takeaway is that companies that employ OKRs must support their employees, especially in defining key outcomes that align and encourage teams toward a common goal.

CCS CONCEPTS

• Software and its engineering → Software creation and management.

KEYWORDS

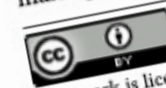
Large-scale distributed agile, OKRs framework, agile software development, goal-setting, longitudinal case study

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1 INTRODUCTION

In large-scale agile, the decision-making focus moves from the project manager to the software development team, and the decision-making process changes from individual and centralized to shared



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and decentralized [10, 18]. However, balancing the need for alignment and achieving the benefits of a decentralized decision-making structure that involves many autonomous teams in large-scale software projects is not well understood [6, 14, 21]. Furthermore, when many autonomous agile teams work toward the same goal, much additional coordination and management effort is required [20], which in earlier studies on large-scale agile projects was found to be challenging [19]. Although there is a vast literature on large-scale agile, several important questions remain open: If each team were given the authority and responsibility for organizing their work, how can the organization ensure the overall compliance of a large-scale project? Who is responsible for the overall compliance with the project goals? What are effective structures for cross-team decisions when teams have conflicting goals?

The large-scale organization needs to ensure that all agile teams work toward the same goal, which is traditionally achieved through formal organizational control [16]. When team goals conflict with organizational goals, many teams choose to act in their self-interest [1], and disrespect the larger context [7]. Modern agile organizations seek to involve employees when setting common goals across the organization, and they actively engage employees toward these goals [25]. One way of doing this, which is increasing in popularity, is implementing the goal-setting framework Objectives and Key Results (OKRs) [2, 5, 17]. Introducing a goal-setting framework can be a daunting task for an organization because it involves changing behavior in different levels in the organization, often from the very top, all the way down to the individuals working in teams.

Motivated by the importance of finding strategies for aligning teams toward the same goals in large-scale agile, the following research question drives our research: *What strategies do agile teams apply to make OKRs work for them?* To answer this question, we studied agile teams in a large Norwegian agency that were working distributed because of the COVID-19 pandemic.

2 RELATED WORK

In agile software development, the team has complete authority to do whatever it takes to accomplish the "goal" [22]. However, applying this to a large-scale setting is quite different compared to in smaller projects. In a literature review of the challenges and success factors of large-scale agile transformations, Dikert et al. [4] found that organizations had difficulties in finding a balance between the team's goals and the organization's broader goals. A team could easily prioritize their own objectives over those of the organization as a whole. Thus, being a part of a large organization