RFC 147: OKRs, pattern and anti-patterns

Author: beyang@sourcegraph.com
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Reviewers: @nick @christina @dan @julia @noemi @adam @sqs
Approvals: @christina @sqs @nick

This may seem pedantic, but I think it's important, because the formatting of our OKR document enforces discipline, coherence, and structure in thought, and to me that is the whole point of OKRs. Otherwise, they are a waste of time.

Here are three ways of formatting and structuring OKRs:

First way (GitLab FY20-Q2):
1. CEO: Objective. KR 1, KR 2. KR 3.
   a. Product: Objective. KR 1, KR 2, KR 3.
   b. Eng: Objective. KR 1, KR 2, KR 3.
       i. Distribution: Objective. KR 1, KR 2, KR 3.

Second way (Gitlab FY21-Q1):
1. CEO: Objective
   a. KR 1
       i. Product: Objective
           1. KR 1
           2. KR 2
           3. KR 3
       ii. Eng: Objective
           1. KR 1
               a. Distribution: Objective
                   i. KR 1
                   ii. KR 2
                   iii. KR 3
           2. KR 2
           3. KR 3
   b. KR 2
   c. KR 3

Third way (Sourcegraph 2020 Q1):
1. CEO: Objective
   a. KR 1
   b. KR 2
   c. KR 3

1. Product: Objective.
   a. KR 1
   b. KR 2
   c. KR 3

1. Eng: Objective
   a. KR 1
   b. KR 2
   c. KR 3

1. Distribution: Objective
   a. KR 1
   b. KR 2
   c. KR 3

The first way is superior to the other ways, and we should adopt it. Why?
- Succinct communication of priorities
- Coherent hierarchy of objectives that rolls up to the company mission
- Objectives are not key results, and we should not subordinate objectives to key results (confusing, robs agency).

Proposed next steps

Adopt the structure, or something similar, of the first way of doing OKRs. My personal preference would be the following:

1. **CEO: <Objective>.**
   KR: <KR>.
   KR: <KR>.
   KR: <KR>.
   a. **Product: Objective.**
      KR: <KR>.
      KR: <KR>.
      KR: <KR>.
   b. **Eng: Objective.**
      KR: <KR>.
      KR: <KR>.
      KR: <KR>.
      i. **Distribution: Objective.**
         KR: <KR>.
         KR: <KR>.
         KR: <KR>.

If approved, Beyang will own incorporating this into our handbook.

Appendix: justifications

Succinct communication of priorities

OKRs communicate priorities to others, and the document is meant to be read by everyone across the organization. It should read like an executive summary of what the organization is trying to accomplish in the current quarter.

Key results are the measurables that prove a particular objective has been achieved. ~~It may be tempting for the OKR writer to move them to a new line, nested under the objective, but this permits verbosity and confuses KRs with sub-objectives, which they are not (more on that below).~~ OKRs should be pithy. If further exposition is needed, write the exposition in a GitHub issue / separate doc and hyperlink to it.

Hierarchy of objectives

It is important that we are all working to achieve the company mission, and an important function of OKRs is they force us to break down that mission into coherent subdivisions and that each subdivision must actually support its parent. Without structuring our OKRs in a way that reflects this tree of objectives, they do not really help us ensure we are all "rowing in the same direction."

E.g., why was one of Web's objectives in Q1 "[Make users aware of advanced search features](#)"? It sounds like a nice thing to do, but how did it fit in with what we were trying to accomplish as a company that quarter? Why was it prioritized over other nice-sounding things? How did it roll up to our top-line objective of "Grow ARR consistently"?

Subordinating objectives to key results

An objective is a general goal (e.g., "Demonstrate a repeatable and scalable sales model that sustains our current rate of growth", "Make Sourcegraph search at scale a delightful user experience"). A key result is a way of measuring or proving success of that goal (e.g., "Grow ARR by 20%", "Deliver search improvement to customers X, Y, and Z"). Sub-objectives should be listed directly below super-objectives, NOT beneath a key result, because:
- There is a type mismatch between objectives and key results. A set of 3 key results are designed to be a barometer of an objective's success. They are NOT a mutually exclusive subdivision of the sub-objective space (i.e., there might be sub-objectives that support multiple KRs).
- The KRs may change, because we find better ways of measuring success, and this should not impact the sub-objectives.

- Subordinating objectives to others' KRs robs people of agency. Each role should be responsible for ensuring each of its objectives reinforce its parent objective (and vice versa). Introducing a KR into the chain breaks the chain of responsibility and makes it so you can say, "Well you chose this particular success metric and you told me it was my job to boost it, and so I did; never mind that I did so in a way that ran contrary to the overarching goal".
- Finally,
  - overly
    - nested
      - lists
        - are
          - very
            - unreadable