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2021 OKRs Survey Report



Hello there from team fitbots!

We are very excited to bring to you the findings of our first edition of the OKRs Report 2021.

Fitbots is on a Mission to make OKRs the Lingua Franca in the world of strategy execution and goal alignment. With this simple mission, we have worked with companies across industries over the past few years to make OKRs a part of their culture through our intuitive OKR Platform and world class network of OKR Coaches.

Prologue

The last decade has seen OKRs gaining great momentum and thrust as the strategic differentiator for companies, in turn driving a culture that creates focus on outcomes over outputs / inputs. Since inception, the focus of [fitbots](#) has been to help companies understand the impact of OKRs through **'Alignment, Radical Focus & Building Accountability'**.

Growth, however, can be a very tricky situation; while companies many times can quickly get into growth phase, the struggle begins when they need to scale and build alignment.

What made us publish this report?

Our inquisitiveness and love for OKRs, led us to wonder, "how well has this framework been adopted across companies and countries". Now, it's not much of a surprise that many high growth companies & best places to work have adopted OKRs to **Scale, Sustain & Grow**. OKRs are very popular in the Silicon Valley and of course have been widely popularized by the likes of Google, Airbnb, Spotify and others. With success stories of many such companies all around the internet, there is a lot of knowledge freely available on what OKRs are, how they should be used and also quick starter kits to get started with your own OKRs.

Despite all the vast knowledge, companies still seem to struggle with what's popularly known as the **'Knowing Doing Gap'**. In theory, everyone understands OKRs and how it brilliantly helps companies transform the way they function, but when it comes to practice, some apprehensions we hear are

While there is so much information available on OKRs, what strikes us is the missing link on how to use this brilliant framework in a manner that helps you execute your strategy effectively.

"I am not sure if it even fits my culture. Will my people really accept it? Even worse is yes, we did implement it but looks like it was just another shiny penny like many other performance jargons".

These dilemmas led us to our journey on exploring what is it that people know or don't know about OKRs, do they really believe it creates an impact and for those who don't, what is it that they can address using this wonderful strategy execution framework. **Although our focus was more on the Asia - Pacific region, we were more than glad to receive overwhelming responses from some other geos too.** The results of course are interesting and definitely not surprising, but for sure reinforcing that there is a lot that needs to be done when it comes to helping companies implement OKRs.

For our first ever report we partnered with [HR Tech Singapore](#), a HR Tech marketplace, which connects companies with new age Talent Management Solution providers.

With this prologue, we shall now take you through the analysis of the OKR Study we conducted and we hope you derive much insights from this research just like we did.

Our Report Covers:

- A glimpse of OKR adoption across countries
- The key drivers & challenges in adopting OKRs
- Practices to enable OKR adoption
- What do non OKR adopters do?
- What makes OKRs popular?

Countries represented by our respondents



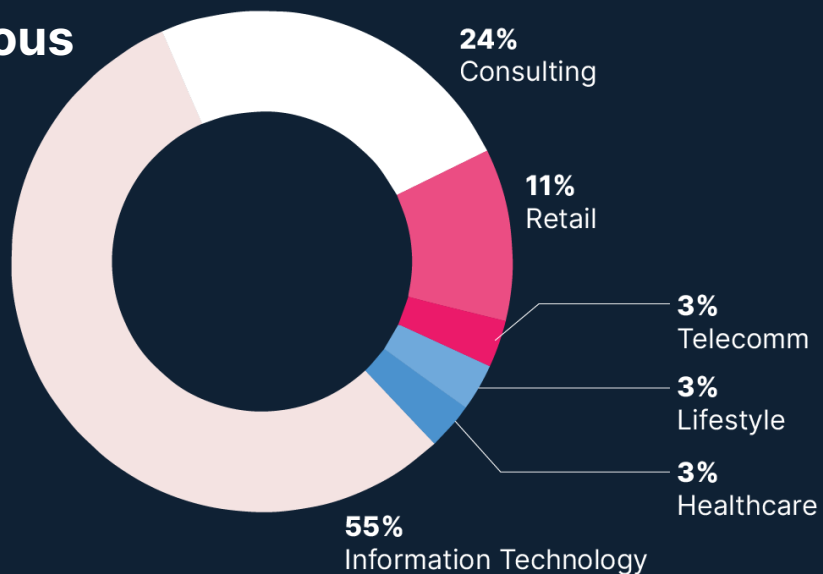
In the last decade, OKRs have picked up traction and pace in the western markets. But, with the emergence of technology companies and creation of new startup hubs, A-Pac is not left far behind in the quick adoption of OKRs.

And why not? Every company which wants to work with agility and focus, will change the way they work. India and Singapore are fast emerging as top adopters of OKRs, but other Southeast Asian countries are not far behind in the race. In recent times, Vietnam and Indonesia have shown spiking interest in quickly catching up to establish goal muscle using OKRs.

While its a noted fact that OKRs originated in and are more popular in the IT/Technology industry, more so with the upcoming startups in this field, we have seen a lot of interest in other industries too as companies are targeting agility and innovation at a rapid pace. The emerging interest for OKRs in other sectors is substantiation to the fact that this is a framework which is bringing change in the way companies have traditionally approached **Work, Strategy and Goals**.

A very interesting observation is the entry of the Healthcare sector in the world of OKRs. The last few years however, have seen a dramatic shift in the way they want to realign everyone to the core purpose they are driving.

Emerging interest for OKRs in various sectors



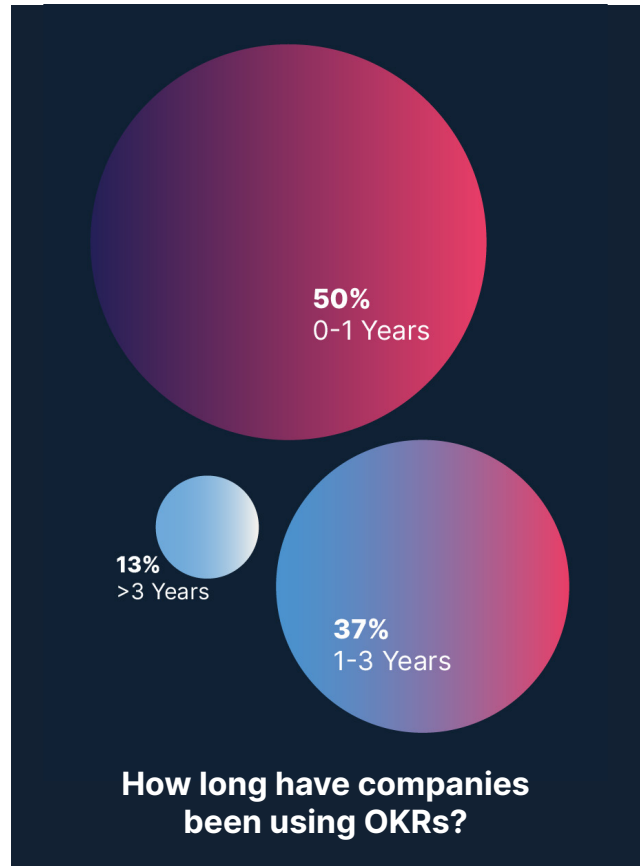
Another key observation is that 90% of the participants were from companies with fewer than 500 employees. Now, this is not surprising, given that OKRs are mostly associated with startups or small companies. However, there is a misconception that OKRs don't match well with scale. It is interesting

to see about 10% of the participants from large enterprises too. The challenge however with large companies is to convince leadership teams that OKRs are not about the size, but about making strategy execution happen and strategy happens in every company, irrespective of its size.

How long have companies been using OKRs?

As the results indicate, most of our participants have been introduced to OKRs only about a year ago and are still realizing the benefits of the framework. Although, the predominant ones among these are companies in the IT sector, **Retail industry is showing a spiking interest in OKRs and almost 21% of our respondents who are using OKRs for the last 1 year are in the retail sector.**

With the unprecedented change that the retail sector is experiencing, this result doesn't come as a great surprise. While knowing the length of adopting OKRs is important, what is more critical is the reason behind OKR adoption. We asked our participants to tell us what were the top 3 motivators for their companies to adopt OKRs.



Top 3 reasons for companies to adopt OKRs

Building Goal Alignment **42%**

Creating Transparency **29%**

Increasing Employee Engagement **16%**

Now, that's a result where we see the top 3 benefits of OKRs being covered. But the most interesting part to note is that the gap between the top reason and the second most important reason is quite wide. Needless to say, most companies irrespective of their size adopted OKRs due to its legacy of being able to create alignment to goals. The very fact that with OKRs, companies can drive

alignment to company goals like never before, reassures our belief in the power of this framework. As a result of this, the second most reason for adoption logically fits the puzzle because to drive growth, companies need to make sure employees are aligned to the company priorities at all times and this naturally builds transparency across all levels.

The third most important reason for adoption is **Increasing Employee Engagement**.

Although not a very high percentage of people chose this, but noteworthy is the fact that more than 66% of the respondents who chose this option are from Southeast Asia, more predominantly from Singapore and Vietnam indicating that in these regions, there is an underlying need to drive employee engagement through more popular and strategic frameworks which are known to drive employee engagement. It's a good area to delve into and understand what really drives employee engagement and motivation in these regions.

In our experience, having OKRs is definitely a key way to increase employee engagement, but the magic lies in having just about 3 objectives for everyone to focus and a maximum of 5 Key Results which help achieve those objectives. The lesser the crowding

62%

Respondents who chose Building Goal Alignment have been using OKRs for more than a year.

around Objectives and Key results, higher the possibility of driving actions with priorities and razor sharp focus. Studies indicate that, when employees are well aware of their priorities and outcomes, the engagement levels are bound to be higher.

In connection to the primary driving factors for OKR Adoption, we asked our respondents about the top 3 benefits OKRs brought about to their organization.

The benefits OKRs bring to an organization

Creating a Sense of Accountability **76.3%**



Alignment to Company Vision and Strategy **66%**



Helps in Prioritization **66%**



Now that is a whopping number of respondents choosing Accountability as a top benefit that OKRs have brought about. What is worth noticing is that not too far are the 2 other popular benefits, which is alignment to company vision and strategy and prioritization. Well, this may seem a no-brainer because once employees and teams are aligned to company vision and strategy, they automatically start focusing on what matters

most and pick only those KRs and tasks which help in moving the needle forward. The most important thing to notice is that once employees are engaged to company vision and start focusing on things which matter, the engagement and hence accountability increases proportionally. This is also one of the top 3 reasons we saw participants mentioning why they chose OKRs.

More than **80%** of the respondents who saw increase of accountability and ownership as an evident benefit, have been using OKRs for more than a year and 85% of them have been using OKRs for more than 3 years. Interestingly, **85%** of the participants who have been using OKRs for more than 3 years chose accountability building as a top benefit.

While it is very motivating to see the benefits OKRs bring, we cannot overlook the fact that implementation of a framework like this can come with its own set of challenges. It is not an easy task to get teams to change their regular way of working and start thinking about how their day to day activities contribute to the overall company strategy. To capture this challenge, we asked our participants about the top 3 challenges they

had while implementing OKRs. If you did read through our prologue, this outcome is very indicative of what we mentioned the '**The Knowing Doing Gap**'.

While there is a lot of reading resources out there, 53% of respondents stating lack of knowledge in implementing OKRs, indicates that it may not be simple to read things off the internet and apply.

Top challenges while implementing OKRs

Crafting the right OKRs **71%**



Linking OKRs to Performance reviews **58%**



Lack of understanding of subject **53%**



Linking OKRs to Performance Reviews is a common challenge faced by respondents from Asia because traditionally companies drive performance reviews linked to compensation increases. And now, OKRs says delink compensation. How is it possible?



Another interesting insight is the third most common challenge participants face and that is **Lack of understanding** on the subject. Now this has a direct correlation to the inability of teams/companies in crafting high

quality OKRs.

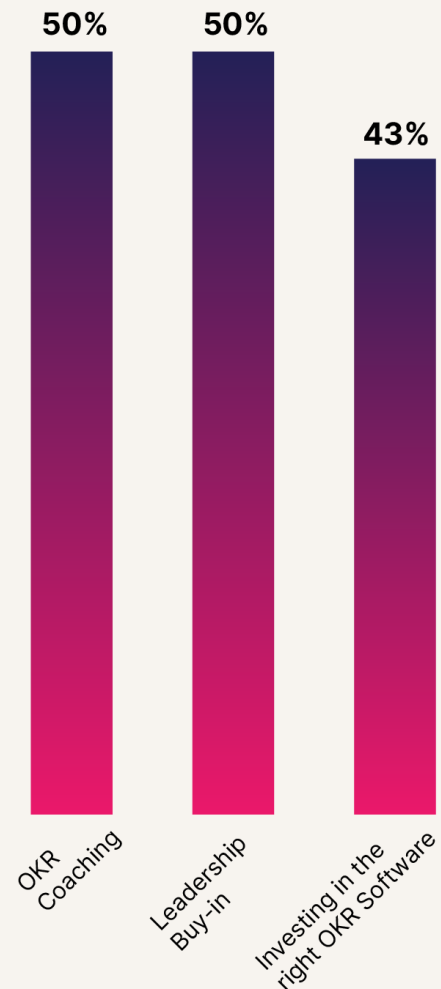
When it comes to delinking OKRs from Individual Performance reviews and compensation, there is no silver bullet.

There are different ways companies adopt this to suit their culture and context. It is imperative to remember that OKRs aren't a Performance Management framework, instead, they're a critical thinking framework which help you focus on asking the right questions to drive alignment and focus towards company strategic priorities. Performance happens as a result of identifying the right metrics and milestones we need to achieve to make progress towards the outcomes.

OKR implementation can never work effectively without solid support and sponsorship from the Executive Team.

However, our findings indicate that only 50% of the respondents feel sponsorship from Executive Team is a good first step in getting started with OKRs. The not so good part is that 50% of the OKR users don't choose Executive Sponsorship as a top driver for successful implementation. The possibility could be that OKRs didn't really come as a leadership imperative and more of a function based decision in such companies.

Key factors that helped get OKR Implementation right



Connecting the Dots

68% of the people who did not think Leadership Sponsorship helped them get implementation right have been using OKRs for less than a year and are facing challenges in crafting their OKRs correctly.

A few years ago, there wasn't much thrust on the need for OKR Coaching to help with early OKR adoption. However, our results indicate that the need and value for OKR Coaching is gaining great interest and also validation. The numbers and the outcomes are self indicative on how having an internal or external coach can help build the much needed **Goal Muscle** in the company.

In the initial days of OKR adoption, we normally see that companies and leadership teams don't believe in investing in the right software. Their main purpose is to get started with OKRs on excel sheets and then look for software solutions. Interestingly, 62% of the respondents who said that investing in the right OKR software was a good early decision to make, have been using OKRs for more than a year and some are even close to 3 years of adoption.

68% of the respondents that said investing in OKR software helped them in easy OKR adoption also had strong leadership buy-in for OKRs. This indicates that Leadership buy-in and OKR success are highly interconnected because OKRs need to be seen as a long term investment and not just a one time process change for benefits in pockets.

So, what was the OKR Implementation process like?

As easy as it may sound, the process of OKR implementation can really get tricky especially after the first 30 days. The excitement, buzz and energy around it can start fading if you do not get the fundamentals right.

While 42% of the respondents said that communicating about OKR adoption was the easiest phase, only 5% agreed that the first 30 days was an easy part of the implementation. Although 32% of the respondents felt getting leadership buy-in was easy, only about 8% of them felt getting through the 30-90 day cycle of OKR Implementation was easy. Close to 77% of the respondents found the 30-90 day implementation tough, also indicating that **Crafting the right OKRs** was their biggest challenge. As they say, the first step to getting OKRs right is to craft them right -

the 1st 90 days is the most crucial phase in OKR implementation. Here's how the findings around OKR implementation summarized.

63%

Respondents who did not find 30 - 90 day implementation easy were actually finding it difficult in linking OKRs to Performance reviews. The Global best practice is to delink OKRs with Performance reviews and compensation, to avoid sandbagging.

Aspects that lead to better OKR Implementation

Creating Internal
OKR Champions **44%**

Business Leader
Advocacy **42%**

Having OKR Coaches **42%**



This question summarizes the emotions of the group in totality. Close to 68% of the participants feel having a Coach- internal or external is key to helping in sustaining the OKR process and realizing the true potential of the framework. Rightly so, when you have a dedicated expert helping you understand the know-hows of the framework well, your ability to adopt it as a cultural norm increases. There is also almost equal thrust on Leadership Advocacy. Like we said, **no Leadership Buy-in - No OKR Success**. Try to invest time in getting your leadership teams to become OKR Advocates, only then the real implementation drives home the message.

So what about Non OKR Adopters?

While we deep dived into the aspects of how companies which implemented OKRs manage their implementation cycles, we also had a look at companies which are not yet adopters of OKRs.

Close to **40%** of the companies which have never used OKRs are in Southeast Asia. There's a huge market waiting out there to understand the benefits of OKRs and leverage them.

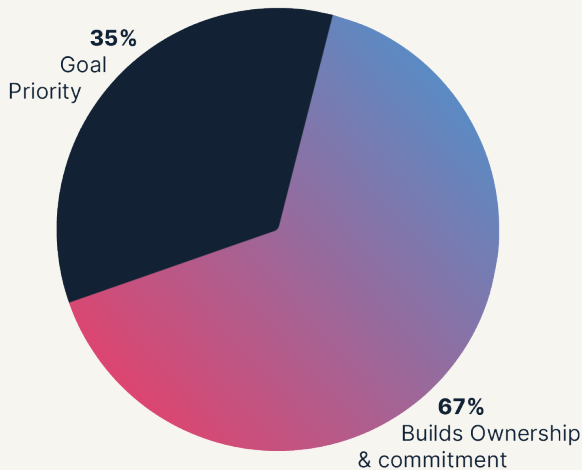
50%

espondents say that less than 40% of their employees are aware of their company strategy. This is not surprising because close to 90% of them are still following the Traditional Performance Methods which only focuses on defining goals top down and not really helping employees see the connectedness to the larger purpose.

The biggest pain point for 67% of this group is Alignment of their Cross-functional teams. This of course is a big challenge because more than 75% of them still follow the top down goal alignment approach. In such cases, alignment may not always be a top priority because the thrust is more on achieving individual KPIs.

Since more than 65% of the group had heard about OKRs, we asked them about the top 2 benefits they think OKRs can bring about.

Top 2 Benefits OKRs bring about



When we reflect on our learnings from the top benefits that OKRs brought about to companies which adopted it, both the above findings were the top scorers. This is a clear indication that companies which are not onto OKRs seek Goal prioritization and accountability building as key strategic issues and on the contrary, those who are onto OKRs, start seeing these two elements as top benefits once they get onto OKR implementation in the right manner. Do you agree?

Closing Thoughts

Since the time we forayed into the world of OKRs, we have worked with organizations of different sizes and scale wanting to adopt OKRs for varied reasons, starting from leadership pressure, to peer pressure, to Investor Push and sometimes for just plain honest interest of adopting OKRs to bring about change. Despite the nature of adoption, our key learning has always been that OKRs

are about committing to the extraordinary, it is about changing the focus on priorities which really matter. Like every other change, this is hard to begin with, especially if you are used to working with a set of preconceived parameters, but once the positive impact of this begins, it creates a ripple effect across teams and organizations.

The past few years, organizations across industries are starting to realize the value and potential in OKRs and the benefits of rallying the entire organization around a common purpose.

We strongly believe that OKRs are here to stay and will continue to create the ruffle across industries and segments and as long as it is adopted right, the ripple effect will follow.

We hope you enjoyed reading this report. Do write into [Fitbots](#) for more insights on OKRs.