

Doerr, John – Measure What Matters

Portfolio Penguin, 2018 [Business] Grade ★★☆☆

What is the secret tool that has created Google's success? It turns out to come from Intel. In *Measure What Matters* John Doerr, venture capitalist extraordinaire, presents the Objectives and Key Results model (OKR), where objectives define *what* an organization or sub-unit tries to achieve and key results detail *how* these objectives will be met. Hence, it is a type of execution tool that drives an organization and its employees to work in the same direction towards a joint goal. The aim of the book is simply for Doerr to present the model to a larger audience than the companies that he invests in and by this help an even larger crowd to become more industrious.

The book is partly self-biographical as Doerr looks back on the many companies he has funded. Approximately a third of the text describes the OKR-tool and the rest contains a large number of case studies and success stories from various (mostly) technology companies that with Doerr's help have used the tool with great positive effect. It is certainly an impressive list of contributors to the book as for example Larry Page, Bill Gates, Sundar Pichai, Susan Wojcicki, Bono and loads of others contribute sections to the book. Further, Jim Collins, Sheryl Sandberg, Al Gore etc. add write-ups for the book's cover so the author obviously has a vast network. The real hero of Doerr and of the book is however the late Andy Grove of Intel. Apart from being an early mentor to Doerr, Grove is also the intellectual father of the OKR-tool – even though much of the ideas were openly borrowed from Peter Drucker.

To work with OKRs means setting aggressive objectives - essentially goals - that are "*significant, concrete, action oriented and (ideally) inspirational*" and then deciding on 3 to 5 executable action items called key results that lead to the objective if fully met. These results should be specific, measurable, and verifiable and come with clear deadlines. Further, it should be crystal clear who the owner of each OKR is. The benefits of using the model, and

also the structuring of the chapters in the book, are according to the author an organizational focus and commitment to the issues that really matter, a transparency and alignment to joint purposes that produces work satisfaction for employees plus a sense of community and team spirit, an accountability that brings power to the execution of initiatives (plus, by this, a flexibility to quickly change direction if so needed) and an ability to reach stretch targets by working towards them in smaller increments. The process is steered through a dynamic and continuous process of performance management the author calls CFR (Conversation, Feedback, Recognition). Doerr recommends a dual cycle with both annual and quarterly OKRs and further that the objectives are set both top-down and bottom-up. Also, one should work to connect teams through cross-functional OKRs. On the look of it, I think this is a great tool for organizational execution but also culture building.

When reading the many case studies I'm quite struck by how very similar the Silicon Valley establishment thinks and sounds. With all their "amazing", "10x", "fail fast" and "we are going to be the next xyz", the attitude of the Silicon Valley contributors to the book is virtually missionizing – it's a bit like listening to 10 Jehovah's witnesses, one after another, although, the holy trinity of this cult is rather wealth, productivity and creative destruction – all through the power of technological change. The contributors that stand out as molded in a somewhat differentiated form are the thoughtful Bill Gates and Bono that obviously comes from a totally different environment. In my view the balance of the book could have been shifted somewhat from case studies to a more collected presentation of the OKR and CFR models. With the current structure it is important that the reader doesn't miss the so-called resource sections of the appendix as they give more meat to the models.

In sum, I like the tool more than the book.

Mats Larsson, August 29 2018