

27 OKR Lessons That Actually Improve Execution

A practical guide from real-world OKR failures and fixes

This short guide distils the most common OKR lessons observed across leadership teams, scale-ups, and enterprises. It avoids theory-heavy explanations and focuses instead on what actually works, and what reliably breaks execution.

Section One is intentionally short form, designed to act as a quick checklist so you can quickly scan and derive value from it. Section Two provides a bit more detail for each bullet point.

If you have any comments on this or any of our other resources, we'd love to hear from you:

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Section 1: Checklist

1. Use OKRs to create focus, not activity.
2. Separate KPIs (run) from OKRs (change).
3. Write Key Results as outcomes, not tasks.
4. Treat OKRs as an organisation-wide WIP limit.
5. Never tie OKRs to bonuses or individual performance.
6. Use OKRs only where prioritisation is the constraint.
7. Avoid OKRs when strategy is unclear or work is purely operational.
8. Red OKRs are learning signals, not failure. Green ones may be a sign of definitional problems.
9. Instrument OKRs with real data, not opinion.
10. Maintain line-of-sight from OKRs to delivery backlogs.
11. Optimise the system, not heroic individuals.
12. Target constraints and failure demand.
13. Use cadence and consistency to model behaviour.
14. Integrate OKRs with delivery frameworks deliberately.
15. Use stories to expose metric traps.

16. Keep objectives few and explicit.
17. Support OKRs post-launch with coaching.
18. Design cascading for alignment, not control.
19. Budget and portfolio cycles work best when aligned with OKRs.
20. Start small to build leadership confidence.
21. Co-create OKRs to increase team commitment.
22. Avoid activity masquerading as progress.
23. Use OKRs to surface organisational friction.
24. Rewrite failed OKRs rather than abandoning them.
25. Measure success at system, outcome, and behaviour levels.
26. OKRs amplify intent, they don't create it.
27. Focus beats ambition every time.

Section Two: Additional Detail

1. Use OKRs to create focus, not activity

When OKRs reflect activity, they're probably not measuring the right thing.

Activities are prone to being gamed. For example, “we will produce X documents” is not a measurement of focus and can easily be gamed.

2. Separate KPIs (run) from OKRs (change).

Key Performance Indicators tend to be backward looking (rear view mirror) and, therefore, reflect what has happened. OKRs should be forward looking so you can course-correct if necessary before you get to a mid/end of year review.

3. Write Key Results as outcomes, not tasks.

Related to activity, tasks just says “we will do things”. Outcomes are about what you hypothesise will be the change in business state once the Objective is met.

4. Treat OKRs as an organisation-wide WIP limit.

OKRs are intended to create focus. A focused organisation will reject noise in order to complete those items it is focused on.

5. Never tie OKRs to bonuses or individual performance.

OKRs are a team event. Tying them to bonus structures or individual performance can disincentivise people and is a common failure mode.

6. Use OKRs only where prioritisation is the constraint.

In most organisations, prioritisation is the biggest constraint, with everyone seemingly clamouring for a slice of a constrained resource pool. OKRs provide a focused prioritisation mechanism. If you have no prioritisation issues, OKRs may not be needed.

7. Avoid OKRs when strategy is unclear or work is purely operational.

If strategy is unclear, it's advisable to gain clarity there, using tools like Wardley Mapping, Balanced Scorecard, Strategy Mapping, EOS, or another strategy tool. Equally, if work is purely operational, OKRs are probably not the right tool (yet). Note, that doesn't mean OKRs aren't useful for operations teams, only that if all of the work is purely operational there may be other mechanisms that are better suited.

8. Red OKRs are learning signals, not failure. Green ones may be a sign of definitional problems.

Many people RAG their OKRs and then question their teams on how they're going to get "red" to be "green," but this often misses vital data signals. Red could mean you set your OKRs to be too difficult or that the data are telling you that it's time to course-correct the strategy. To do OKRs well, requires a willingness to get involved in data analysis.

9. Instrument OKRs with real data, not opinion.

Arguing over opinions risks missing the real signals in the data.

10. Maintain line-of-sight from OKRs to delivery backlogs.

By connecting OKRs through initiatives all the way through to the backlog you get full line-of-sight on what's being worked on to pull the company in the direction of strategy.

11. Optimise the system, not heroic individuals.

Organisations that have optimised their ways of working will be the ones that win in the age of AI. Those that rely on heroics are doomed to be mediocre at best.

12. Target constraints and failure demand.

Failure Demand (work being done because something wasn't done right) is a capacity sink. Avoid it by optimising the system of work. Use Theory of Constraints to identify and gain control over bottlenecks.

13. Use cadence and consistency to model behaviour.

Get people to review OKRs regularly so they stay top-of-mind. In this way, you maximise the evolution of OKR maturity throughout the organisation.

14. Integrate OKRs with delivery frameworks deliberately.

OKRs work best when integrated with the delivery frameworks the organisation uses, be that SAFe, SCRUM, LeSS, Kanban, Lean Portfolio, or one of the myriad other frameworks. OKRs tie into other frameworks. They don't constrain you to one or another.

15. Use stories to expose metric traps.

Get people to discuss metrics that turned out to be less than they'd expected.

Celebrate failure with metrics so that people learn from each other.

16. Keep objectives few and explicit.

You should aim for between 3 and 5 objectives at each level of the organisation. More means you're losing focus; fewer, that your focus is unclear.

17. Support OKRs post-launch with coaching.

New corporate habits require losing corporate muscle memory. Coaches help ensure that old habits don't creep back in by mistake.

18. Design cascading for alignment, not control.

OKRs are not a control mechanism. They are there to align the strategy throughout the organisation. Using them as a control mechanism means losing control of their intention.

19. Budget and portfolio cycles work best when aligned with OKRs.

The data analysis you do for OKRs will give you a good lens on what is working and what is not. This provides an excellent input into where to allocate budget for the next cycle.

20. Start small to build leadership confidence.

A common failure mode for OKRs is for organisations to go too wide with them. Starting with one area (preferably the Leadership Team) and building out in increments avoids overreach.

21. Co-create OKRs to increase team commitment.

People are more likely to buy into a set of OKRs if they feel a sense of ownership.

22. Avoid activity masquerading as progress.

People will mistake activity as being progress and may try to append that activity to your KPIs, but activity isn't a good measure of value.

23. Use OKRs to surface organisational friction.

Surfacing organisational friction is a good thing. It allows for open and honest conversations that can lead to that friction being resolved. Unresolved tension is like a cancer on the fabric of the organisation. OKRs can help excise it.

24. Rewrite failed OKRs rather than abandoning them.

Because OKRs are hypothesis, it may seem like they fail at times. It's sensible to recast them as part of a course-correcting strategy.

25. Measure success at system, outcome, and behaviour levels.

When all three are improving through the use of OKRs, that's when the system is really working well; however, don't expect this to happen all at once.

26. OKRs amplify intent, they don't create it.

If the intention is flawed, expect the OKRs to also be flawed. If the OKRs are flawed, review how they were created and ask whether there are lessons to be learnt.

27. Focus beats ambition every time.

An organisation that focuses will pull in the same direction. A team with ambition may pull in very different ones all at once.

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