



Unlocking Value

Transforming Metrics with
Goal-Driven Strategies



Building better businesses.

Future-proofing organizations.

- Create high-performing product teams
- Develop mastery in leadership skills
- Execute strategy using Scaled OKR's

Hyperdrive improves business fitness.
Business fitness is the measure of business health, agility, and success.

Established in the Silicon Valley in 2009.

LET'S
CHAT



Introduction: The Metrics Challenge

Common Problems: Goodhart's Law

“When a measure becomes a target, it ceases to be a good measure”

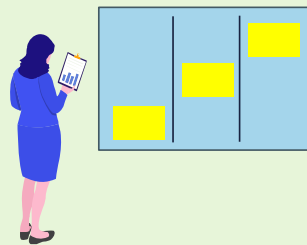
If you measure teams on...

Then you might get...

Velocity



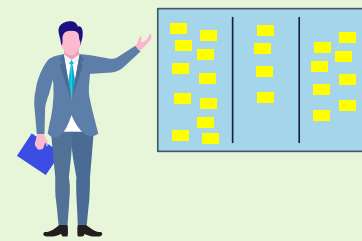
Large story estimates



Stories per sprint



Lots of tiny stories



* Inspired by sketchplanations.com/goodharts-law

Common Problems: Campbell's Law

"The more any quantitative social indicator is used for social decision-making,

the more subject it will be to corruption pressures

and the more apt it will be to distort and corrupt the social processes it is intended to monitor."



Common Problems: The Observer Effect

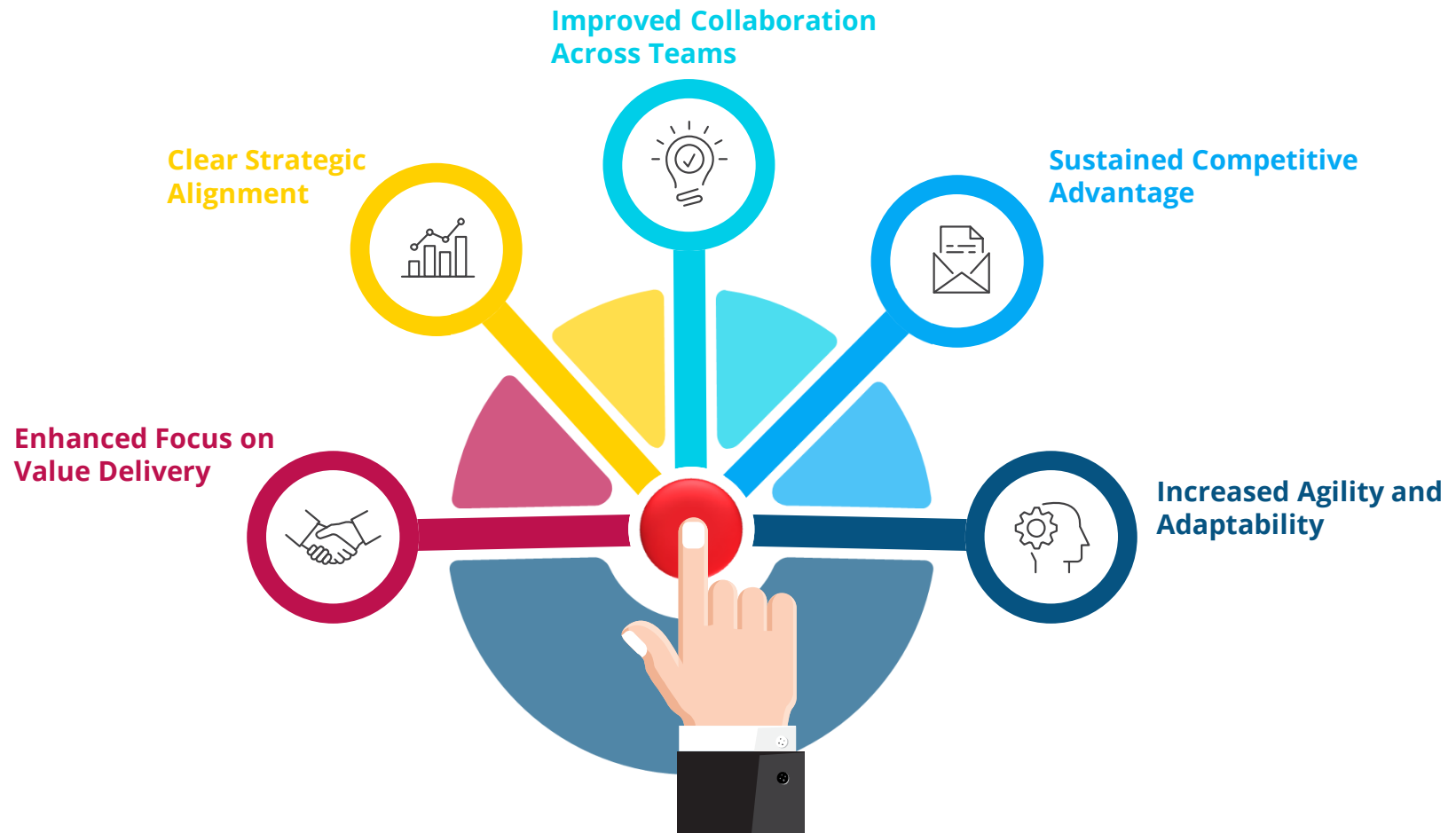
Monitoring a metric may subtly influence people to maximize that measure



Impacts of Poor Metrics



Alignment with Business Goals



Rethinking Metrics in Agile Contexts

**Agile frameworks
emphasize team and
product over business
performance**

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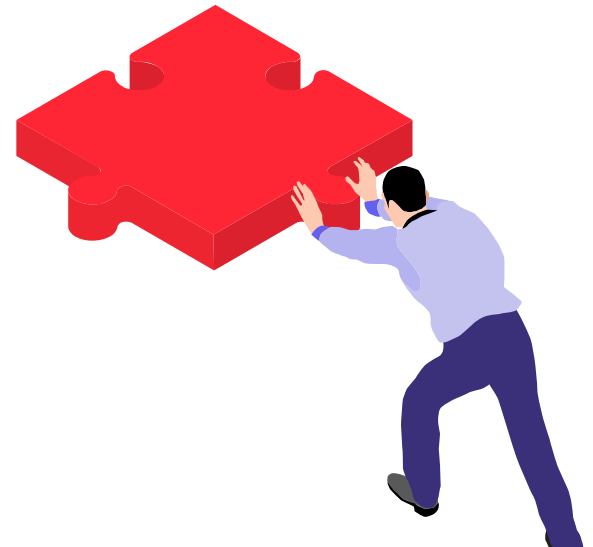
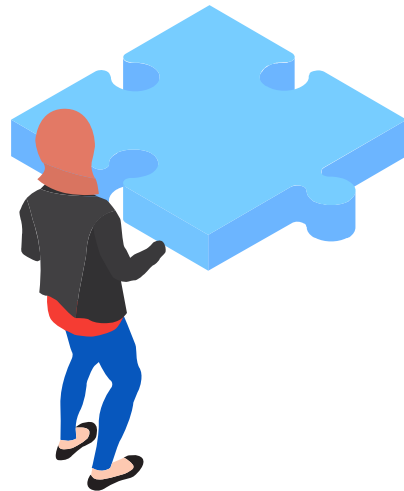
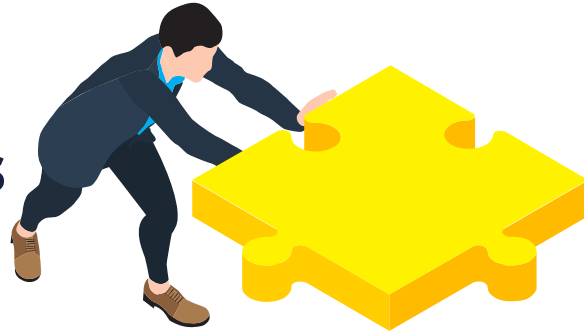
Agile metrics are often captured using terms unfamiliar to the business like “story points” and “velocity”



**There can be an
overemphasis on
outputs over outcomes**



Metrics are sometimes hard to use across teams without creating invalid/unfair comparisons



Some metrics like quality are hard to measure and may require more subjective assessment



Applying Traditional Metrics to Agile often fails

1 LOC (LINES OF CODE)

4 ADHERENCE TO INITIAL ESTIMATES

2 NUMBER OF BUGS FIXED

5 ON TIME DELIVERY

3 UTILIZATION RATES

6 PERCENT COMPLETE

We Need Adaptable, Goal-Oriented Metrics

- Focus on Outcomes (Customer Value) vs. Outputs
- Metrics Should shift with Changing Customer Needs Throughout the Product Lifecycle
- Goal Oriented Metrics Help Keep the Focus on the Long Term vs. Short term gains
- Goals Help Preserve Alignment with The Business



The Foundation: Goal Setting as the Key to Meaningful Metrics

Setting Clear, Actionable Goals with OKRs

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OBJECTIVES = where do we want to go? Its our Intent and our Why.

- Declare the Big Idea. Inspire and Motivate with a sense of purpose
- Set a max of 3 to 5 of them to focus, less is more
- Should be bold and easy to understand
- Objectives may have long or short span (12 to 24-month horizons)

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KEY RESULTS = are the outcomes by which success is measured.

- 4-6 results that are clearly measurable at the end of the OKR cycle
- Where you will focus efforts because it creates the most value
- Measurable means quantifiable numbers – not action items or tasks
- Define the BEST POSSIBLE results – not most probable

OKRs are a Framework

OKRs are a **strategy and alignment framework** that seeks to ensure **organizational clarity** by creating an environment of **common goals and shared commitments**



Work with the Framework Definition

OKRs are a **strategy and alignment framework** that seeks to ensure **organizational clarity** by creating an environment of **common goals and shared commitments**



Strategy & Alignment Framework

- OKRs are intended to become a new way of working and aligning on **outcomes**
- Improved focus and alignment (at scale)
- Greater clarity on both the outcomes we are pursuing, and our own definition of what success looks like
- Helps inform decision making on priorities



Organizational Clarity

- OKRs align to the vision and strategy and provide clarity and purpose
- An established cadence of regular checkpoints provides rigor and discipline
- OKRs become the primary filter to ensure teams are working on the right work
- What we don't work on is as important as what we do work on



Common Goals & Shared Commitments

- OKRs are co-created with other groups, teams, and departments
- Cross-functional teams develop localized OKRs (authorship drives ownership)
- The OKR framework must be used to to maximize collaboration and alignment
- Inherent transparency of shared OKRs establishes alignment from top to bottom

Example OKR #1

Objective:

Create an Awesome Customer Experience

For Key Results:

- Improve Net Promoter Score from X to Y.
- Increase Repurchase Rate from X to Y.
- Maintain Customer Acquisition cost under Y.

We will Create an Awesome Customer Experience as measured by

- Improve Net Promoter Score from X to Y.
- Increase Repurchase Rate from X to Y.
- Maintain Customer Acquisition cost under Y.



Example OKR #2

Objective:

Delight our customers.

For Key Results:

- Reduce revenue churn (cancellation) from X% to Y%.
- Increase Net Promoter Score from X to Y.
- Improve average weekly visits per active user from X to Y.
- Increase non-paid (organic) traffic to from X to Y.

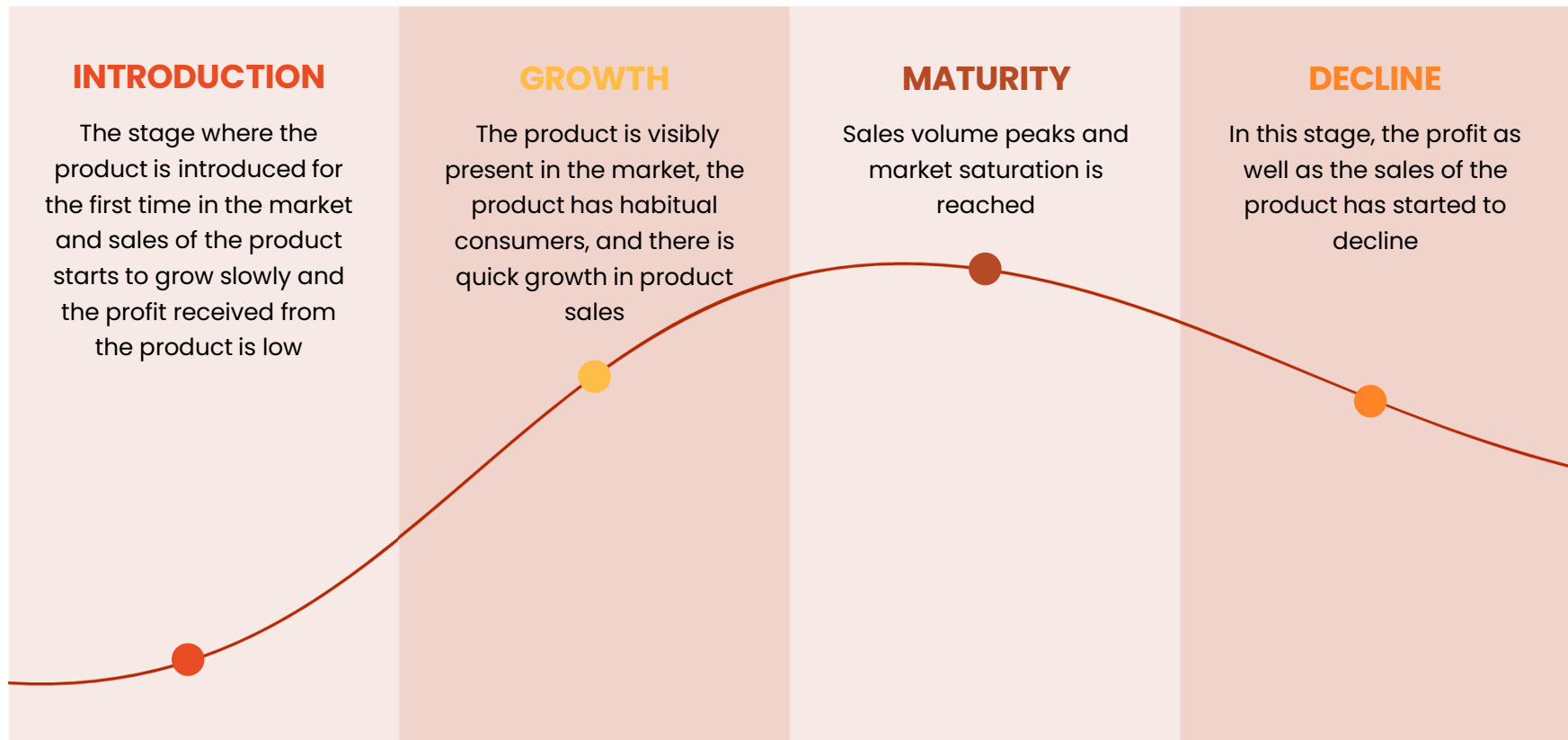
We will Delight our customers as experienced by

- Reduce revenue churn (cancellation) from X% to Y%.
- Increase Net Promoter Score from X to Y.
- Improve average weekly visits per active user from X to Y.
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Practical Ideas for Measuring Success

Start with the Product Lifecycle



Review the Product Type

SERVICES

Consulting, maintenance, healthcare

DIGITAL PRODUCTS

Software, e-books, online courses

PHYSICAL GOODS

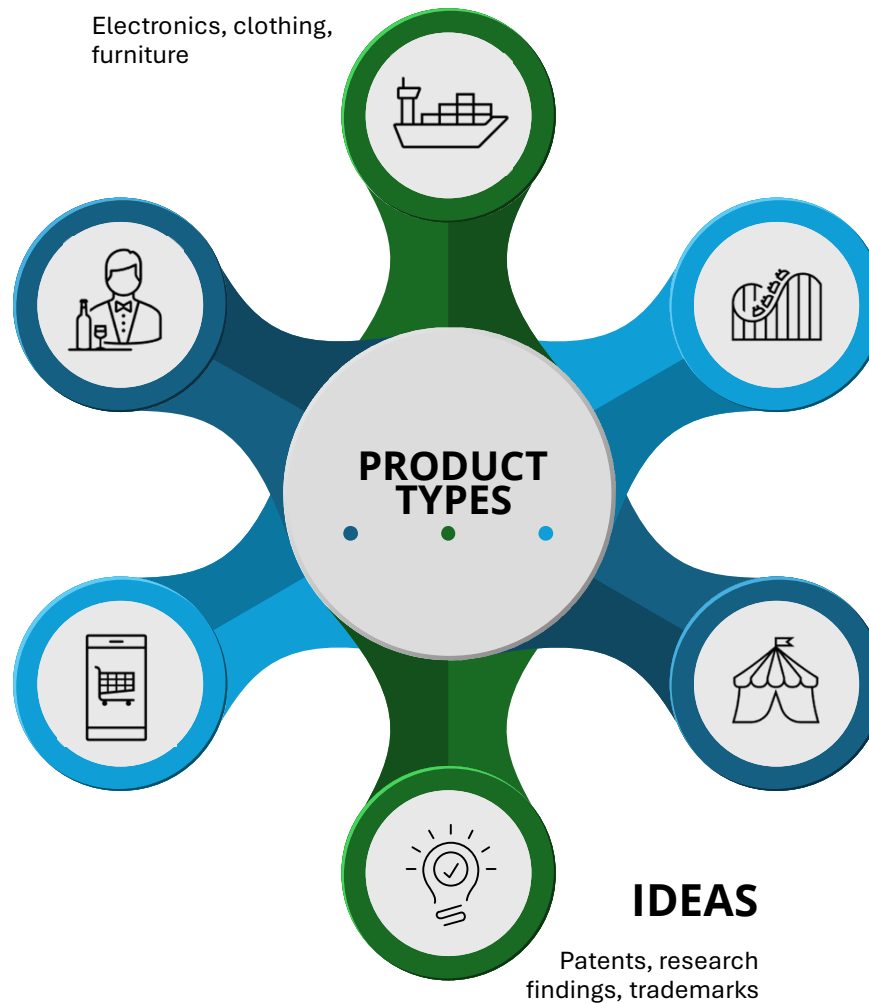
Electronics, clothing, furniture

EXPERIENCES

Concerts, travel, theme parks

EVENTS

Conferences, sports events, festivals



IDEAS

Patents, research findings, trademarks

Use the Product Delivery Model

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TRADITIONAL RETAIL

Physical stores where customers purchase goods directly.

FREEMIUM

Basic services are provided for free, with premium features available for a fee.

E-COMMERCE

Online platforms where customers purchase goods and services.

ON-DEMAND

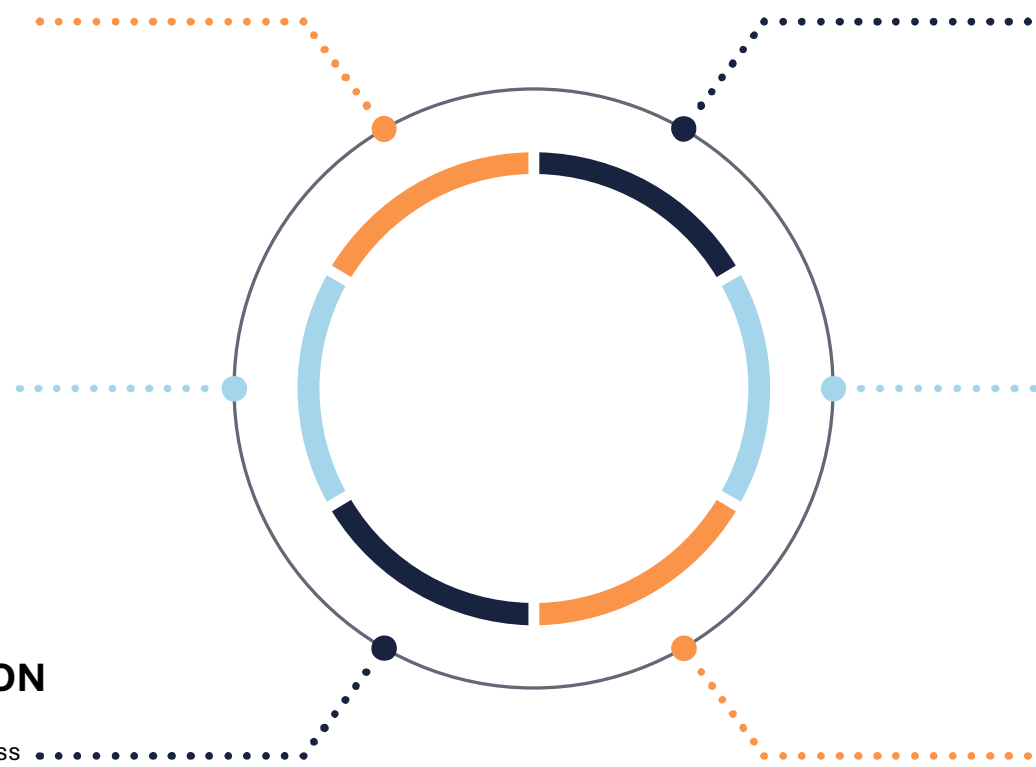
Services or products are provided immediately upon customer request.

SUBSCRIPTION

Customers pay a recurring fee to access products or services.

DIRECT-TO-CONSUMER

Brands sell directly to customers, bypassing traditional retail channels.



Implementing Change: From Theory to Practice

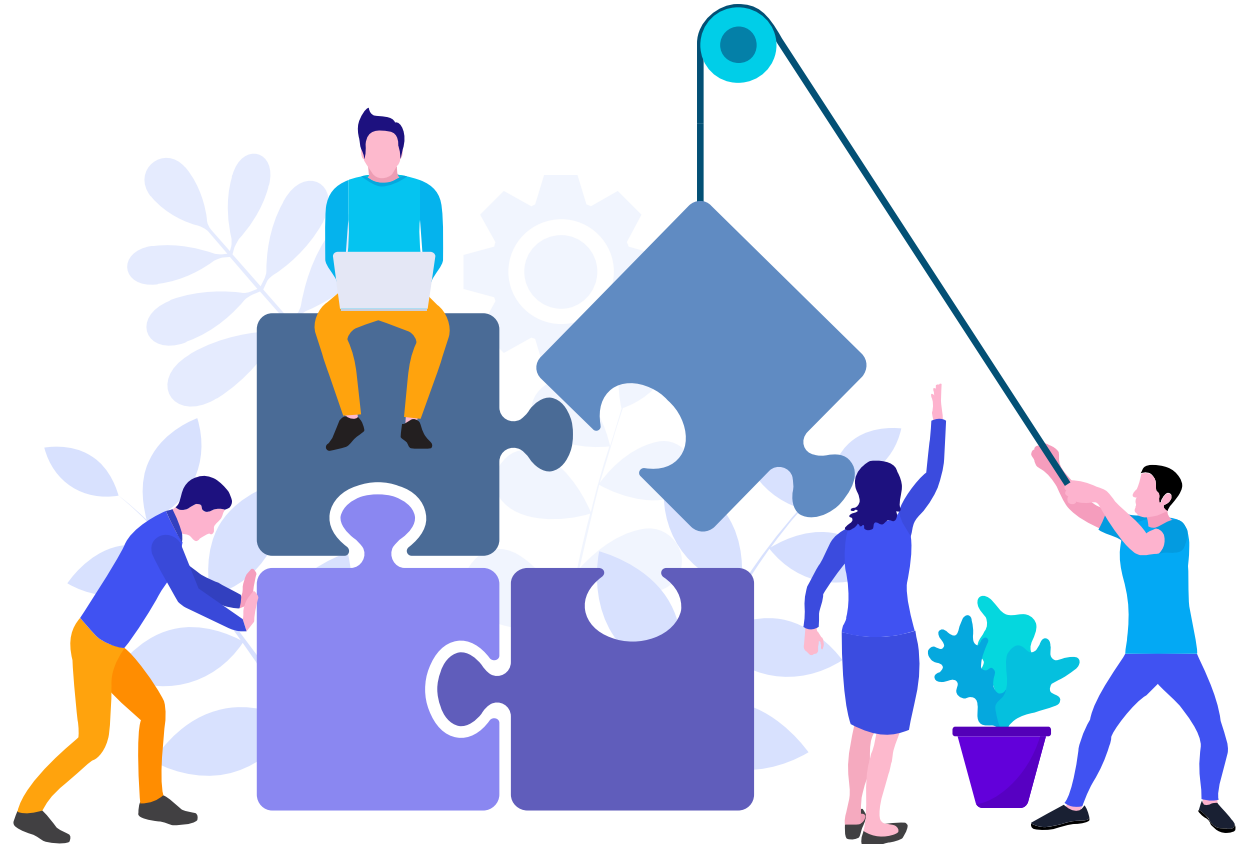
Better Metrics in your Organization

- Make Safety a prerequisite
- Give them control
- Start small
- Drop a metric when it outlives its usefulness
- Don't accumulate a lot of metrics
- Consider giving your metrics an expiration date



Challenges Changing Metrics Approaches

- Cultural Resistance
- Leadership Buy-in and Support
- Confusion about Purpose
- Balancing Short-Term and Long-Term Metrics
- Increased Visibility
- Blame vs. Improvement



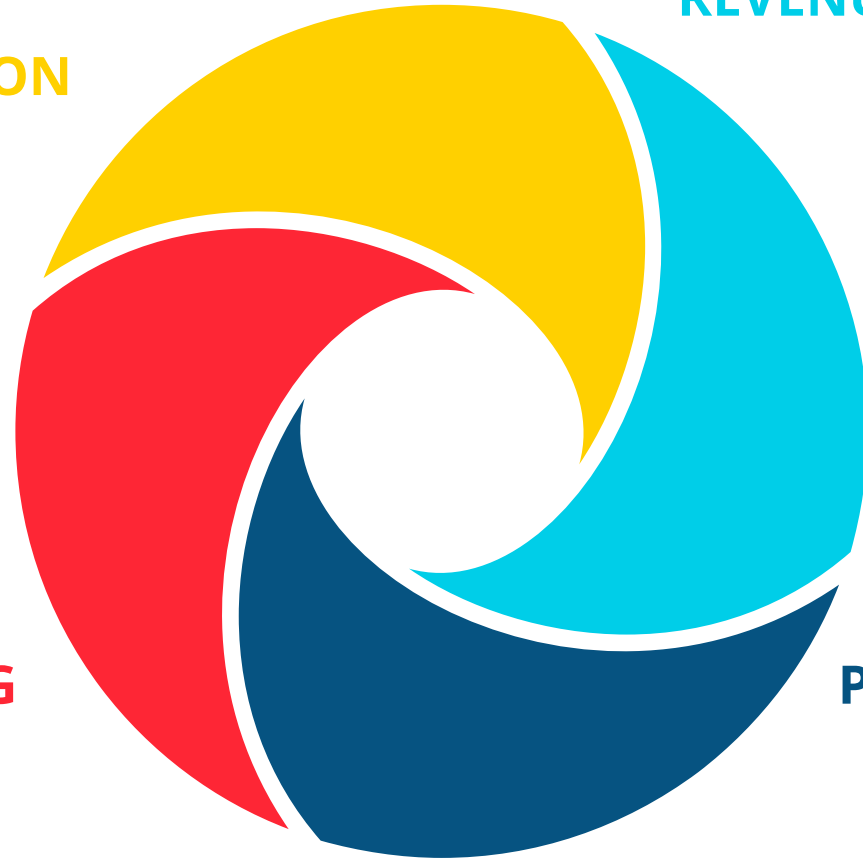
**CUSTOMER
SATISFACTION**

REVENUE

Iterating on Metrics for Ongoing Value

MARKETING

PERFORMANCE



Conclusion: Measuring What Matters

Key Points

**Align your metrics to
business goals**

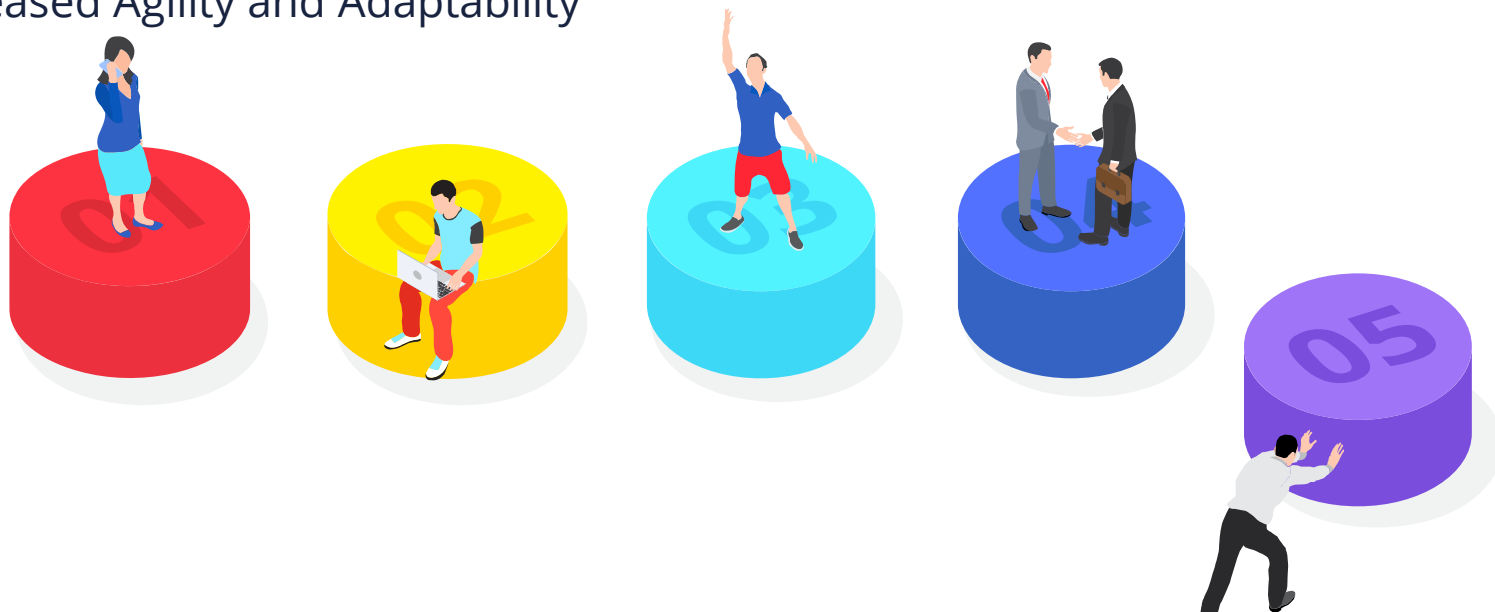
**Explore techniques
like Scaled OKRs,
Product Type,
Delivery Model,
and Lifecycle**

**Iterate and
Improve**



Long-Term Benefits

- Enhanced Focus on Value Delivery
- Clear Strategic Alignment
- Improved Collaboration Across Teams
- Sustained Competitive Advantage
- Increased Agility and Adaptability



Rethinking Your Approach to Metrics

- Think beyond the team
- Look for Organizational/Product Goals to guide you



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Q&A