



Sample materials:

**OKR design &
development for B2B
SaaS**

Case Study: Shift Real Estate Software OKR design & implementation

Context:

- After developing their annual strategy, Shift Real Estate Software found their team hitting performance roadblocks and struggled to get-to-action on their near-term goals for their software sales
- Shift brought in the Redwood Advisors team to reassess their draft strategy and make it more actionable by implementing an enterprise-wide, cascading OKR system
- As a part of this work, the team developed a governance model to support the new OKR system

Top illustrative insights:

- Shift's overall OKR system is primarily focused on **growing their share in current core markets** (e.g., commercial real estate) rather than expanding to new industries
- The system will be governed through **budget, target, and stretch goals** for the year to be **reviewed on a monthly basis** to align on performance and core next steps
- Shift's enterprise OKR system **may cascade down to functional-level OKRs** where helpful to build alignment across different levels of the company

Note: Names and details have been changed for client confidentiality

OKR design & development efforts consist of three key phases: objective setting, key results & ops overview, and OKR system implementation

Phase



Objective setting



Key results & ops overview



OKR system implementation

Key illustrative activities

- **Collect & organize key facts** from interviews & client materials
- **Develop synthesized vision and strategy**
- **Identify potential top-level objectives** based on strategic priorities

- **Develop clear key results targets** for achieving the top-level objectives
- Outline **model for cascading OKRs**
- **Identify stakeholders** for each OKR

- Develop a **high-level, view of key resource needs** (e.g., people, tech, processes) to achieve objectives
- **Stand-up a governance model** for driving progress on key objectives

Key illustrative outputs

- **Synthesized high-level strategy** including winning aspiration definition
- **Key top-level objectives overviews** based on clearly defined strategic priorities

- **Key results** to meet the top-level objectives
- **DACI owners and projected timing** for key objectives
- **High-level cascading OKRs model** with all key levels and groups

- **Resource overview** by objectives
- **Key meetings overview** including agendas, attendees, dashboards, etc.

Illustrative case study follows

Key stakeholders were given one of four possible distinct roles to drive the overall OKR effort

C-suite level Dept. level

Key roles	Stakeholders	Role overview
Executive Sponsor	<ul style="list-style-type: none"> Executive AA 	<ul style="list-style-type: none"> Sponsor Ops effort and help set overall goals and plan Provide ongoing input and direction to the team Engage and support on key objectives
Key Project Supports	<ul style="list-style-type: none"> Executive BB Executive CC 	<ul style="list-style-type: none"> Provide key input and insights to identify and prioritize key objectives
OKR Chief	<ul style="list-style-type: none"> Person XX 	<ul style="list-style-type: none"> Drive overall OKR system including driving governance model Provide key input and insights (e.g., value drivers, feasibility of initiatives)
OKR Champions	<ul style="list-style-type: none"> Person AA Person BB Person CC 	<ul style="list-style-type: none"> Drive efforts on individual objectives & key results Lead problem solving effort with OKR chief and supports Own key project work streams including deliverable creation, analysis, high level model development, etc.

Page used as a living document to reflect experts brought in to help drive the Ops effort

The team kicked off the project by synthesizing Shift's existing strategy into a strategic one-pager

Strategic question

Defining elements

1 What is our winning aspiration?

- Become the leading provider of digital marketing technology in the commercial real estate space for small to medium businesses

2 Where will we play?

- U.S. commercial real estate businesses nationwide (primarily office space retailers) with option to expand service areas in the residential space later

3 How will we win?

- Develop tools that work easily and efficiently
- Help our customers elevate their businesses with personalized digital marketing

3-year goal: Build customer retention and share in our key markets by building impactful, unique offers that appeal to our base



Three guiding principles were set for the future-state OKR system

1

Our OKR system will hinge on three Enterprise-level Objectives closely tied to our 3-year strategy for the organization

2

Each Objective should be limited to 1-2 Key Results to ensure we stay focused on the right outcomes

3

Function-level OKRs will strictly cascade from Enterprise-level OKRs to drive alignment between levels of the organization



Team articulated a 3-year goal for the OKR system as a foundation to identify concrete, actionable goals to drive progress

Aspiration

Become the leading provider of digital marketing technology in the commercial real estate space for small to medium businesses

3-year goal

Build customer retention and share in our key markets by building impactful, unique offers that appeal to our base

Objective

Next step: Work with stakeholders to identify and prioritize 3 top opportunities to pursue and drive progress towards the 3-year goal

Potential enterprise-wide objectives for the OKR system were identified in 5 key action categories

Top objectives

Potential Enterprise-wide objectives

<i>Land: Get new customers</i>	<i>Expand: Grow customers</i>	<i>Retain customers</i>	<i>Drive partnerships</i>	<i>Expand portfolio</i>
<ul style="list-style-type: none"> • Go after key MSAs (<10% share) • Go after new industries (<i>e.g.</i>, HC, gov.) • AAAA 	<ul style="list-style-type: none"> • Grow monthly recurring revenue (MRR) • Grow number of premium licenses • BBBB 	<ul style="list-style-type: none"> • Reduce overall customer churn • Optimize our customer service engine • CCCC 	<ul style="list-style-type: none"> • Drive high-value integrations for top products • Develop new reseller partnerships • DDDD 	<ul style="list-style-type: none"> • Launch high-quality new features • Develop 1+ new solution set • EEEE

15 potential objectives were identified and prioritized through research and insights from interviews with the Shift team (e.g., project sponsors, core team leads)

The team worked with stakeholders to prioritize the top 3 objectives based on Shift's 3-year goal

Aspiration

Become the leading provider of digital marketing technology in the commercial real estate space for small to medium businesses

3-year goal

Build customer retention and share in our key markets by building impactful, unique offers that appeal to our base

Objective

Accelerate top-line revenue growth

Significantly reduce customer churn

Accelerate product launch cadence

Rationale

Maintain consistent core growth in the business

Ensure our product quality by retaining our core customers




Reinforce our value prop with consistent innovation

Key results

Next step: Work with stakeholders to identify ~1-2 key results for each objective



For each key result, the team set 3 different goals (budget, target, and stretch)

Goal type	Overview	Use case
 Budget	Goal we are confident in hitting (80%+ probability)	Share with our investors and in public announcements & posts
 Target	Goal that we would like to hit and can reasonably hit (50% probability)	Use as key internal facing goal; track performance against target goal on a monthly or weekly basis
 Stretch	Reflect our true aspiration but may be a “stretch” to hit (10-20% probability)	Use to stretch the team’s thinking on what is possible; stretch the team to think bigger & different

Key results for each prioritized objective follows

Each objective was assigned 2 key results to measure success with clear budget, target, and stretch goals

Deep dive follows

Objective	Key results		
	Budget goal	Target goal	Stretch goal
Accelerate top-line revenue growth	1. Grow our monthly recurring revenue by 7%	1. Grow our monthly recurring revenue by 10%	1. Grow our monthly recurring revenue by 13%
	2. Increase sales in top MSAs by 10% YOY	2. Increase sales in top MSAs by 15% YOY	2. Increase sales in top MSAs by 20% YOY
Significantly reduce customer churn	1. Achieve 85% customer retention	1. Achieve 90% customer retention	1. Achieve 95% customer retention
	2. Improve our NPS by 3 percentage points	2. Improve our NPS by 5 percentage points	2. Improve our NPS by 8 percentage points
Accelerate product launch cadence	1. Launch 3+ new features in core products by EOY	1. Launch 5+ new features in core products by EOY	1. Launch 7+ new features in core products by EOY
	2. Receive at least a 4/5 user satisfaction ranking on new features	2. Receive at least a 4.2/5 user satisfaction ranking on new features	2. Receive at least a 4.5/5 user satisfaction ranking on new features



Each KR was assigned RASCI stakeholders (driver, approver, contributor, informed) to ensure accountability & alignment

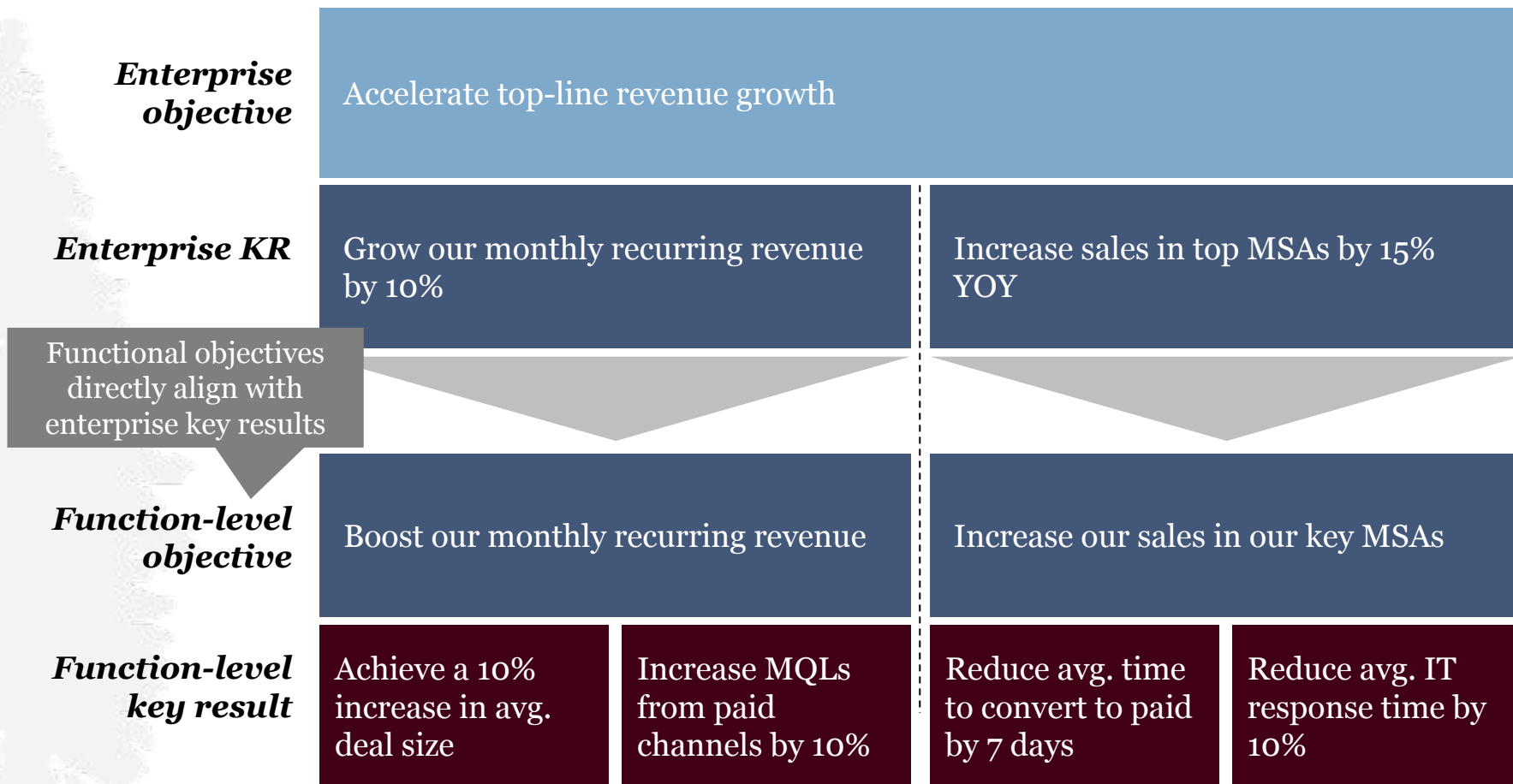
Deep dive follows

RASCI stakeholders

Key result	Func. driver	Responsible	Accountable	Supporting	Contributor	Informed
Grow our MRR by 10%	1. Sales team	1. Person AA	1. Person DD	1. Person CC	--	1. Person EE 2. Person FF
Achieve 90% customer retention	1. Customer Success team	1. Person BB	1. Person EE	--	1. Person CC	1. Person DD 2. Person CC
Launch 5+ high-quality key features	1. Product team	1. Person CC	1. Person CC	1. Person FF	1. Person GG	1. Person DD 2. Person EE

Function drivers may set 1-2 function-level OKRs that “roll up” to enterprise-level OKR goals

Function drivers set function-level OKRs cascading from enterprise-level OKRs



Team aligned on a strictly cascading system from enterprise to function level OKRs

The team worked with key owners to outline top actions to execute on each key result

Objective	Responsible	Key “must-haves”	Top next steps
Grow our MRR by 10%	• Person AA	<ul style="list-style-type: none"> • Well-defined free-to-paid customer journeys • Sales enablement tools & processes to drive sales in key MSAs 	<ul style="list-style-type: none"> • Work with Corporate Comms team to develop tailored messaging for top MSAs • Develop campaign plan to drive customers from free to paid
Achieve 90% customer retention	• Person BB	<ul style="list-style-type: none"> • Retention-focused marketing programs (e.g., themes, messaging, channels) 	<ul style="list-style-type: none"> • Compile list of top customer complaints to address • Draft v1.0 campaign plan for Q1 retention programs
Launch 5+ high-quality key features	• Person CC	<ul style="list-style-type: none"> • Comprehensive Product Roadmap outlining key builds and launch dates 	<ul style="list-style-type: none"> • Align on top potential new features to prioritize for building • Work with Product Marketing to create develop programs marketing new features



The team then defined three key meetings to help ensure the team is able to track & support progress to the OKR goals

Key meeting	Date / time	Key topics for discussion
OKR system kickoff	Thursday, June 1st <i>9am – 11am</i>	<ul style="list-style-type: none"> • Kick-off new effort and share background with owners and support • Align key owners on expectations & best practices • Share meeting cadence, dashboards, agendas, etc.
Monthly check-in meetings	Monthly on the last Thursday of the month <i>2pm – 4pm</i>	<ul style="list-style-type: none"> • OKR owners to present their dashboards and share successes, evaluate progress on key results, and ask for support from other meeting attendees • Leadership to align with stakeholders on next steps
Weekly action meeting (OKR-specific)	Weekly on Tuesdays <i>10am – 10:30am</i>	<ul style="list-style-type: none"> • Owners to meet with key to review progress to-date and align on goals for the upcoming week • Leadership to update key dashboards to share with team

Team worked with OKR Chief to prep for & hold sessions with CEO to ensure alignment pre-kickoff



Key meetings were pre-scheduled 4 months in advance, with additional materials & processes built out as needed (e.g., agendas)

Sample calendar of OKR governance meetings

■ OKR system kick-off
 ■ Monthly check-in meeting
 ■ Weekly action meetings

June 20xx

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

July 20xx

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

August 20xx

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

September 20xx

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		



REDWOOD  **ADVISORS**