

# Developing a shared vision: strong teams have the power

Federico Paolo Zasa and Tommaso Buganza

**T**he technological changes of the past decades have radically reshaped the global competitive environment. The increasing speed of change permeates companies' operations with uncertainty regarding outcomes and development. Organizations must make sense of these changes to determine appropriate action.

Organizations must frequently redefine their objectives and course of action to stay ahead in this competitive environment, developing ever-innovative ideas. This calls for a flexible organization where individuals and teams are autonomous in pursuing innovation. Robert Cooper, founding father of the Stage-Gate process, recognized in 2016 that even manufacturing firms are steering away from traditional and predominantly plan-based approaches to adopt more flexible working methods.

Yet, a decentralized structure bears the risk that teams deviate from the organizational direction. While it is difficult to find single causes for innovation failure, alignment is undoubtedly crucial for its success. However, teams need support to stay aligned. A shared vision can align members of the organizations around a common direction to pursue. The shared vision acts as a glue that keeps the organization together. While many authors favor an organization-wide shared vision, how this should be developed is less clear.

A novel goal-setting methodology took root over the past decades, which may provide an answer. [Doerr \(2018\)](#) presented objectives and key results (OKRs) as a goal-setting tool that adopts a highly interactive goal definition process, consisting of two components: objectives are aspirational and represent a long-term direction; key results are concrete and measurable. OKRs define what an organization should achieve and how to get there. Their successful adoption by Google, as narrated by [Schmidt and Rosenberg \(2014\)](#), paved the way for their diffusion among other silicon-valley firms first and digital companies later. Today, this method represents the preferred goal-setting tool for start-ups looking for growth and large enterprises aiming to increase engagement in a set direction. Companies need more than clarity and role division today – they need alignment and empowerment. We aim to explore whether and how OKRs can support even this challenge.

## How firms navigate uncertainty

Many industries are characterized by increasingly uncertain and unpredictable scenarios. On the wave of the surging digital transformation of recent years, the innovation process of most firms is radically changing, incorporating many of the opportunities of digital technologies into developing a more effective innovation process. Firms – even those in traditional manufacturing environments – now rely on flexible project and innovation management approaches, as [Cooper and Sommer \(2016\)](#) suggest. Digital companies are

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most affected and developed specific Agile methodologies to cope with the new environment, which was summarized by Beck *et al.* (2001) as early as in a so-called “Manifesto for Agile Software Development” (available at <https://agilemanifesto.org/>).

Agile highlights the importance of interactions and collaboration over processes and tools, aiming to increase responsiveness to change. While agile originated in the software industry, the methodologies also transferred to sectors outside the industry. Organizations use agile to empower employees to directly respond to change without going through extensive and effortful re-planning processes. Teams are more adaptive to external changes, and responsiveness to uncertainty is increased. Yet, these independent teams need a linking mechanism that orients effort in a common direction.

Teams independently react to changes in the context of risk deviating from the overarching organizational direction. In Orton and Weick (1990) described organizations as “loosely coupled systems”: drawing on ideas in organic structures research, organizational innovation requires separate sub-systems. These systems are linked together (coupled) and preserve a certain degree of determinacy (loose). The naming captures an organizational dynamic of independent yet necessarily together-moving sub-units. While autonomy, independence and empowerment are clear managerial choices, achieving autonomy and coupling proves more challenging.

### *To lead, provide a shared vision*

In 1961, President J.F.K.’s presented his moon-shot plans to the world “[...] I believe that this nation should commit itself to achieve the goal, before this decade is out, of landing a man on the moon and returning him safely to earth”. These words sparked commitment and an urge throughout the nation to contribute, particularly at NASA.

In uncertain situations like the cold war, a compelling vision can motivate people to pursue collective goals. The term vision stems from the Latin verb “videre”, to see. Just as the visual system allows humans to navigate our environment, in organizational language, a “vision” acts as a compass to lead people in a shared direction. The vision is the “glue that holds an organization together through time” (Collins and Porras, 1996, p. 66). Collins and Porras discussed this idea in depth in the 1990s, adopting a strategy lens on vision development – meaning the vision would be a “tool” available to top management to provide orientation. According to this perspective, the vision represents the guiding light for the organization, while the responsibility to act is delegated to individuals.

Managing decentralized organizations that must navigate a complex environment ultimately requires one element: having a vision to pursue. But extensive work by Peter Senge (1990) on the working principles of learning organizations adds a key detail: the vision should be shared. A shared vision is a “common mental model of the future state” (Pearce and Ensley, 2004, p. 260) that a person, team or group wishes to achieve. A shared vision provides groups with a clear direction and guiding principles that orient collective effort. Wang and Rafiq (2009) identify shared vision as the ideal coupling mechanism.

The problem of managing organizational alignment is not new in management theory and has been extensively explored as an alignment mechanism. Various authors agree that a vision needs to be clear to everyone, supported by the team members and stable in time. Yet O’Connell *et al.* (2011) recognize that involving individuals in developing a shared vision is extremely difficult. In a different area, a methodology was conceived which achieves just that: OKRs involve employees throughout an organization in shaping collective goals.

### *Rise of objectives and key results*

Goal orientation is critical for developing innovations, where uncertainties and unanticipated risks often pose difficulties for teams to move projects forward. When individuals envision new goals and plan to achieve them, this generates a favorable climate where innovation can take place. The relevance of goal setting has long been known in business. In his 1954 work, Peter Drucker described an approach to work design and monitoring through specific goals. Almost 70 years and extensive theoretical development later, management by objectives (MBO) remains a valid performance improvement strategy for numerous organizations. Yet, the MBO approach has encountered several hurdles– the main one being its hierarchical nature. Goals are predominantly individual and then shared with the unit or team. MBOs are not necessarily defined collaboratively, as they aim to orient individuals.

In response to a changing context, [Schmidt and Rosenberg \(2014\)](#) described the ways of organizing the tech giant Google, discussing a goal-setting tool known as OKRs. Schmidt and Rosenberg refresh the perspective to MBO, distinguishing among longer-term objectives, which are aspirational and provide a direction, and key results, the measurable elements of each objective.

The methodology was later discussed in-depth by [Doerr \(2018\)](#), one of the founding fathers of the instrument, who assisted with its development in Intel in the early 1970s. Today, it is used mainly in start-ups and digital companies, which are sufficiently agile to have such a decentralized management instrument fuel their growth.

### *Basics on objectives and key results*

The methodology has two main components: objectives represent “What” should be done, and Key Results represent “How” one should do it. Objectives are significant, action-oriented and inspirational elements that should communicate what needs to be achieved to everyone. Key results, on the other hand, represent the measurable elements, which are specific and time-bound.

OKRs are only concerned with what is most relevant. They should be transparent to foster alignment and teamwork and should be shared within the organization. They must be measurable, to allow tracing accountability but are not linked to performance appraisal. Finally, they should be aspirational, stretching for difficult to achieve objectives. They should motivate employees to do their best, encouraging failure as the expected fulfillment rate of objectives lies at around 80%.

Google focused their OKRs at three levels: company, team and individuals. At the company level, they define the big picture, derived directly from the organizational vision and mission. At the team level, they relate to the operations of each function or team, illustrating how each contributes to achieving the organizational objectives. Last, at the individual level, they guide the projects or activities of each employee.

The definition occurs quarterly in OKR cycles, which start with the CEO setting company-level objectives. Key results are then defined together with the top management team. The company’s key results represent the objectives of each manager and respective organizational function. Key results are defined by individual team leaders who take these as their objectives to define with their teams.

### *From management by objective to objectives and key results*

Traditional goal-setting methodologies increase individual and firm performance, yet they often fail to consider the individual as an agent of change. Levinson highlighted in 2003 that objectives often neglect the individual motivational drivers. OKRs are participative and engaging, representing a more people-centered instrument. Their benefits range beyond

performance improvement, as the instrument supports transparency and alignment. They engage members of an organization in co-designing both short- and long-term objectives (Table 1).

While previous goal-setting instruments emphasized control in a stable, plan-based environment, the current turbulent environments require a far more flexibility solution. In such an environment, organizational success is bound to empowerment and alignment, two conditions the instrument is supposed to provide.

## Materials and methods

We relied on our network to contact organizations heterogeneous in size, location and sector. For each organization, a single individual was interviewed, covering a pivotal role in implementing the OKR system in the company. Only in one case were two members of the same organization interviewed, as the diverse roles granted insights into nonredundant perspectives on adoption in the specific organization.

Our final sample includes ten interviews stemming from nine organizations. Out of these nine companies, one attempt to introducing the system failed. We decided to keep the data in our sample nonetheless, as the interview granted insights into potential downsides, resonating with other interviewees' words.

We conducted semi-structured interviews, following guidelines on qualitative research by Corbin and Strauss (2008). All interviews lasted between 50 and 75 minutes and were transcribed and coded. In all cases, we cross-checked information provided by participants with supplementary material from company reports and websites. All interviews were entirely anonymous to allow interviewees free expression during the conversation and complemented with additional insights from online articles and blog posts.

All interviews were based on a protocol that aimed to investigate the following areas: how OKRs are applied, connecting different levels of strategy and operations and bringing benefits to the organization.

The areas outlined above were adapted throughout the data gathering to reflect the emerging topics, adding some sub-questions to address during the interviews. Interviews were coded initially through in-vivo coding. First-order-categories were created using pattern coding and second-order themes through axial coding. Finally, aggregate dimensions were identified as theoretical codes.

## Results

### Goal setting with objectives and key results

OKRs are a goal-setting methodology that brings performance improvement. As the first result of our study, we highlight how OKR principles are implemented in practice.

<b>Table 1</b> Differences in the environment leading to MBO and objectives and key results		
<i>Driver</i>	<i>Management in a predictable environment</i>	<i>Management under uncertainty</i>
Managerial approach	Plan-based	Flexible
Managerial principle	Control	Empowerment
Goal setting	Mainly top-down	Top-down and bottom-up
Decision-making	Centralized (management)	Distributed (Employees)
Coupling mechanism	Managerial masterplan	Shared vision
Performance management	<i>Management by objectives</i> (Drucker, 1954)	<i>Objectives and key results</i> (Doerr, 2018)

Our findings suggest extensive context-dependency in implementation. As Interviewee 2 highlights, “We drafted what we named OKRs – or let’s say our version of OKRs”. Our coding highlighted two antecedents for a successful goal-setting methodology: supporting the goal-setting with new ways of organizing while getting the implementation of the method right.

*New ways of organizing.* OKRs can succeed only if the organization accepts a new form of organizing. Our findings suggest four methods managers should implement throughout the organization at three levels.

*Principles:* First, the methodology needs to be adapted to the firm’s specific context. In no two cases was it applied in the same manner. Instead, it was tailored to the situation, limiting the impact on the existing organizational culture. Despite being adapted to the specific context, all interviewees agreed to pursue the main principles. “The most important thing is that objectives have to be inspirational while Key Results have to be quantifiable”, Interviewee 3 highlights. The dual nature– simultaneously inspirational and measurable – helps in pursuing distant goals and they clarify who is currently working on achieving which organizational goal. Interviewee 9 further states that “writing down the objectives helps you to shape your priorities and what you need to focus on”, highlighting another central aspect: the capability of prioritizing the few most important tasks which should drive everyone’s effort toward achieving the vision.

*Levels:* Interviewee 9 noted how different levels of objectives were necessary to ensure alignment among individuals, teams and the organization. These are related to each other, linking the goals at the different levels of the organization and ensuring that all effort flows in the same direction. The company-level represents the roadmap to achieve the vision: “Every vision has certain goals. OKRs are the tool that helps you to meet the vision” (Int. 1). The team-level ensures shared objectives inside the team: “Of course, everyone would have individual KRs, but [as a team] we have a common direction” (Int. 3). Last, the individual level highlights how each person can contribute to the organization: “It is recognized that your contribution and your activities are important to the business” (Int. 3).

*Implementation.* Our findings also highlight how companies approach the introduction of OKRs, as a trial-and-error method that yet requires commitment from every party. Both approaches are essential for success and avoiding a series of common problems.

*Training:* In most cases, the introduction was determined as a response to an organizational struggle. While primarily implemented as a self-taught methodology, Interviewee 7 admits to a failure and warns of potential downsides of excessive enthusiasm: “It was doomed from the start because there was a lot of enthusiasm and energy.” Thus, it is crucial to outline some points of attention.

*Commitment:* Together with understanding the methodology, top management must be committed and willing to establish an open culture. While the goal-setting system provides long-term objectives, it requires openness to understand and contribute to the organization. If this is missing, the system will not succeed on its own. Moreover, while openly accessible documents help communication, this may not be sufficient in large organizations where “If you don’t share [some information], if you don’t show it, no one will ever find it” (int. 7). Communication needs to be proactive, to keep everyone engaged in the process.

Commitment to the system and continual updating are fundamental. This iterative approach is not necessarily complex: “Every week, in our team meeting, we update the percentage of completion of each KR and add a confidence level” (Int. 3). The benefit of this is two-fold: the overall progress remains up to date and constant accountability ensures that people are motivated to pursue their key results with constancy.

*Potential problems:* Finally, interviews revealed a series of risks of improper implementation. OKRs too aspirational to be fulfilled cause the opposite effect. Instead of motivating

employees, they lower morale and lead to frustration. But if they are too easy, people will not be motivated to strive for their best. Thus, individuals, supervisors and managers should strive to keep the system working. If any of these parties lack commitment, they will abandon the system altogether.

### *Vision alignment with objectives and key results*

Our findings confirm that the benefits of OKRs range beyond being an effective goal-setting instrument. They align employees throughout the organization around a shared vision. As one interviewee suggests, they represent the missing link in a chain that connects the vision to operations: “Every vision has certain goals. OKRs are the tool that helps you to meet the vision”. We find two coupling mechanisms connecting employees throughout the organization: an organizational mechanism connecting people to the overarching vision, and a people-effect aligning individuals and teams among each other.

*Organizational coupling mechanisms.* OKRs contribute to creating a shared vision at the organizational level. When using the methodology, people come first: “How do you not treat people as cogs in a machine, but as contributors to your vision? If you don’t put people first in an organization, you might as well set KPIs.” (Int. 6). In such an environment, improvements are two-fold: employees understand the vision better and they can contribute first-hand to shaping the company’s direction (Tables 2 and 3).

*Providing direction:* A shared vision is effective as it provides everyone a clear idea of where they should be going. As Interviewee 6 suggests, OKRs “make clear what you have to do and why you have to do it”. The organizational vision becomes clear to the employees, who understand the ultimate objective they need to pursue. It is turned from an abstract concept and direction that only the CEO has in mind into “milestones that are where you need to stay to achieve that direction” (Int. 5). Everyone has clearly in mind which actions

**Table 2** Description of the organizational coupling mechanisms (vertical)

<i>Providing direction</i>	<i>Allowing participation</i>	<i>Nudging implementation</i>
<p>OKRs help the management team to align the organization around a direction to pursue OKRs provide a sense of direction and purpose <i>You feel more part of the company when the OKRs are created: it means being included in the company OKRs, it contributes to your sense of belonging</i> OKRs align everybody to the organizational vision <i>The OKRs at company level are the OKRs of the CEO and the leadership team. These OKRs translate the leadership team vision into reality, and clarify it for everyone</i> OKRs help to prioritize actions <i>[OKRs help] to clarify real priorities, because the system should focus on few very important matters. Only the most urgent and the most important for that quarter</i></p>	<p>Through OKRs, employees are enabled to take part in defining meaningful objectives Employees define a roadmap which makes the vision achievable <i>Each team has a vision, which ideally should map to the vision of the company Then also the teams’ objectives go towards the objectives of the company</i>  Employees are involved in defining organizational goals <i>[This objective] has been suggested by many teams in the company as a stronger priority for this quarter, before designing the company OKRs</i>  Employees contribute to defining the vision <i>Every team would send us insights and ideas. . . . At the end, the CEO should decide the final version, . . . listening to the insights from all teams</i></p>	<p>OKRs allow teams to set their own objectives which remain rooted in the organizational ones Definition is based on organizational OKRs <i>We wait for the company OKRs to be created and communicated to start determining the department and team OKRs. This is because we want the teams to base their OKRs as much as possible on the ones from the company</i> Definition is progressive throughout the organization <i>Something in our team has to reflect these company OKRs. Then we as a team, have workshops to determine our objectives and key results</i>  Definition occurs collaboratively <i>We worked for two hours in a workshop [on the initial OKR formulation]. It was two objectives with five KR’s each, so it’s, you know, 10–12 sentence. But it’s not easy to create them and to make sure that everyone in the team feels represented</i></p>

**Table 3** Description of the people-oriented coupling mechanisms (horizontal)

<i>Organizational alignment</i>	<i>Collaboration</i>	<i>Agile culture</i>
OKRs allow individuals and teams to align to their peers autonomously	OKRs allow fast and informal communication which fosters individual and collective learning	OKRs enable a flexible, people-centric culture, where failure is accepted
Alignment within the team <i>OKRs are all about having a common direction as a team. So uh, you have to think about the entire team. And not just your specific activity</i>	Improved horizontal communication <i>They said 'we were blocked because you didn't do this' - but we didn't know we had to. In terms of communication, having a shared document helps you</i>	Enables a Flexible way of working <i>[OKRs provide] the flexibility once you made a step in a certain direction to reflect: should you change course or keep moving in this direction?</i>
Alignment with other teams <i>Every OKR for every team is visible for everyone in the company from the company level to the team level, all the time</i>	Improved learning process <i>From one quarter to another I'm learning how to set those goals in a better way and learn many things about me, about my team working, my way of managing my job</i> Improved definition of shared Objectives <i>[OKRs] provide the bridge on why two teams should collaborate and on what. They give them both the same purpose</i>	Requires acceptance of failure <i>We also focus on failures: it is okay to fail. OKRs are hard to reach, they have to be . . . You don't have to create OKRs that are easy – it is usually the opposite</i> Enables a People-centric culture <i>I would describe [the OKR culture] as a culture that brings people in instead of keeping them out of the door. Very visual and manifest</i>

are asked of them, which ensures that they avoid being a “blurry” future that needs to be achieved. People know why these actions are essential contributors to taking coherent decisions even when unexpected events take place.

*Allowing participation:* A shared vision is not only about clarity. To be genuinely shared, a vision should be created by everyone together. Interviewee 5 describes how “The teams participate in setting the OKRs. [The team leaders] perform fine-tuning and present a draft to top management”. While the definition process starts from top management, in subsequent iterations, the teams’ suggestions are received at the top levels and may be implemented. This process is mentioned by Interviewee 4 as a request which originated from engaged employees: “People were asking to have a more bottom-up approach so we asked everyone to send us insights. I collected and clustered them for the leadership team and we designed the company OKRs, starting from all these insights.”

*Nudging implementation:* This effect is also supported by how OKRs are defined throughout the organization. Building on the initial reflections of top management ensures strategic coherence toward the shared vision: “You are forcing the leadership team to stop and define a direction. Then everyone can contribute and design their OKR accordingly, trying to understand how to support this vision” (Int. 4). The collaborative definition of OKRs at different levels allows us to have coherence throughout the organization; not simply cascading goals but having participation by everyone in defining a coherent set of objectives and results.

*People-oriented coupling mechanisms.* To create a shared vision, it is necessary to work with employees throughout the organization.

*Organizational alignment:* OKRs improve the alignment within a single team and with other teams in the organization, bringing a transparent overview of everyone’s role and contribution. Setting clear OKRs “means clarifying the meaning of your job for the rest of the company” (Int. 4). All interviewees pointed out that the method creates a shared understanding about where to concentrate the effort to achieve common goals. At the team level, OKRs create a shared mental model of the task. Everyone becomes “aware of what the priority is for us” (Int. 9). Alignment also means understanding the progress of other teams on complementary objectives. Interviewee 3 points out the aspect of intra-team

alignment: “You can check if there are some teams that have OKRs that are related to your team’s. And you can see if you can help them or if they can help you.”

*Collaboration:* The system brings about an organizational focus on the team as a critical construct, as Interviewee 4 describes: “[OKRs] allow us to be more aligned and to push the organization to be more focused on teamwork and collaboration. They introduce a culture of collaboration.” Interviewees 3, 4 and 6 emphasize the concept of “cross-functional goals that rely on the effort of multiple individuals and teams, supporting a team effort rather than individuality. Also, the collective communication and learning processes improve as objectives and results are standardized in shared digital repositories. Thus, the knowledge about each team’s work and achievements becomes available to everyone, and it is easier to draw collective learnings from individual progress or hurdles.

*Agile culture:* To succeed, OKRs require a new way of working and a cultural change, both at the individual and organizational levels. While they give freedom to act, they also provide clear boundaries: “You have a lot of flexibility, but you also have to be aligned with the general direction of the company” (Int. 4). From a cultural perspective, it is necessary to “create a culture for failures” (Int. 3) – not achieving the Objective 100% is necessary to make sure there is a desire for improvement.

Overall, OKRs are not a one-size-fits-all tool: they require both a shift in the culture and the ways of organizing yet reward organizations that succeed in adapting them to their operations with both the performance-improvement benefits of goal-setting methods, as well as the creation of a shared vision throughout the organization.

## Discussion

### *Vision development through objectives and key results*

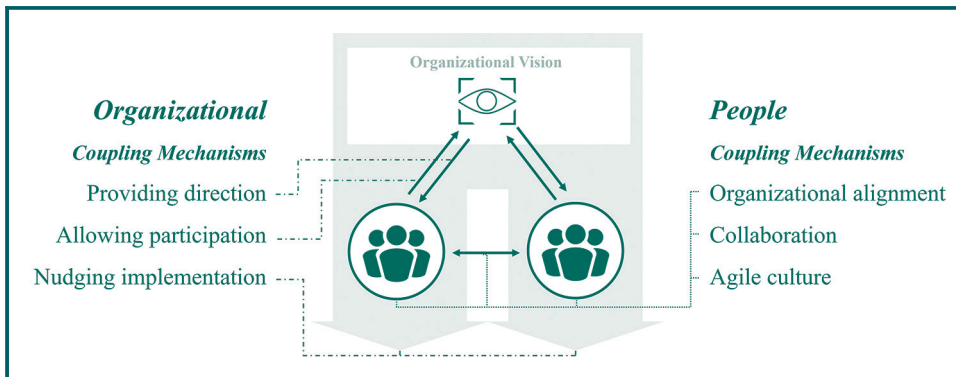
Lynn and Akgün (2001) identify three components of a successful vision: first, a vision should be clear in that it is understandable for the individuals who should follow it. A vision that lacks clarity is unlikely to motivate others and cannot give a common direction. Second, a vision should have the support of those who will pursue it. Finally, a vision should be stable and remain consistent over time. People get frustrated and lose their compass if the vision changes rapidly and for no apparent reason.

Our findings demonstrate that the organizational coupling mechanisms of OKRs support the components of effective visions outlined by Lynn and Akgün (2001). First, they contribute to making a vision clear in the eyes of employees not only from a conceptual but also from a practical level. The vision is divided into minor elements defined collaboratively; thus, everyone understands where the organization is going as they interact with their superiors to design the most well-suited objectives. Second, OKRs support the organizational vision: the development of all objectives is participatory, meaning that individuals proactively generate meaningful goals. Participation generates engagement and psychological ownership of the objective. Third, OKRs increase the perception of the stability of an organizational vision. While the vision is not necessarily frozen, members of the organization can revise it only at a well-defined pace. At each cycle, the top management team may observe the achievements of the previous cycle and decide whether to update the vision and organizational objectives. Employees can immediately respond to any changes by revising their own OKRs. The vision remains stable from one cycle to another, allowing everyone to pursue the known vision at that time.

### *Sharing the vision through objectives and key results*

Through our research, we find that OKRs may help organizations develop a shared vision in two ways: Employees understand and participate in shaping the organizational shared vision while they collaborate and create a shared vision at the team level (Figure 1).

**Figure 1** Coupling mechanisms that facilitate the creation of a shared vision



*Creating an organizational shared vision.* Organizations need a clear vision to orient their activities. This vision is more powerful if it is shared, but developing a shared organizational vision is not easy. OKRs can help develop an organizational shared vision through two main mechanisms: Individuals are brought to understand the organization's vision. They help to prioritize actions, and individuals need not interpret the vision but are provided a clear list of essential objectives. This method translates the vision from an abstract image of the future into tangible goals.

Second, the vision becomes shared as everybody participates in realizing it: The roadmap to achieve the vision is not defined by management alone, but every team and individual collaborates in defining relevant goals. In subsequent iterations, top management incorporates insights from all over the company into shaping the next set of objectives.

*Creating a team shared vision.* Organizations increasingly rely on the team as a central structure for activities. To function appropriately, teams develop a shared vision that fosters alignment and shared understanding among their members. According to [Andriopoulos et al. \(2018\)](#), having a team-shared vision is crucial to making sense of paradoxical cues which occur in innovation: team members are diverse, so the information they perceive is different. A shared team vision helps make sense of this information and is aligned in a joint effort.

OKRs create a shared vision for the team, improve communication within and among teams, and align individuals on a shared direction. Their transparency provides visibility to everyone about others' responsibilities. They are defined collectively, which helps resolve tensions and conflict at the beginning of each cycle. Thus, teams must agree upon the priorities and set results each quarter, giving individuals the independence to work on their achievements. This list of priorities provides a filter that aligns the members of each team, and different teams, in pursuing a single shared vision.

## Final thoughts

Companies increasingly rely on autonomous teams and empowered individuals to pursue the organizational vision. But to keep loosely coupled teams aligned, it is necessary to develop a shared vision throughout the organization. Our study contributes to organizational literature in multiple ways.

First, we contribute to organizational goal-setting theories, empirically clarifying the value of the OKR methodology, an effective tool that appeals predominantly to digital companies and is often used in conjunction with the agile methodology.

Second, we contribute to organizational visioning. Our findings suggest that OKRs contribute to creating a shared vision inside an organization. First, they create a compelling vision according to the components of clarity, support and stability, as presented by Lynn and Akgün (2001). Moreover, they make the vision shared throughout the organization and within teams. Everybody can define the vision and clearly understands how to participate in achieving it, thus making it a shared organizational vision; also, OKRs create alignment within and among teams, setting shared priorities, thus developing a shared team vision.

Our study supports managers who face the challenge of operating in turbulent and complex environments. In an environment where de-centralized decision-making is routine and independent teams are empowered to act, it is necessary to find a practical methodology to help keep the teams aligned. OKRs represent a suitable method, as they are both flexible enough to accommodate individual knowledge and stable enough to anchor the teams to the organization.

Finally, our findings suggest that participation in setting Objectives at different levels fosters employee engagement around the organizational vision. An increasing number of innovation initiatives within firms has made “innovation” a buzzword, and it is becoming more difficult to engage employees of an organization around what matters. The system of OKRs represents a valuable methodology for managers who wish to engage employees to define the road map for realizing their innovative vision and are open to revising their vision based on insights from the organization.

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