APPSFACTORY

A fast-growing software development firm, improves resource allocation and alignment with OKRs

CLIENT

Appsfactory

INDUSTRY

Digital Design & IT Services

EMPLOYEES

400

CHALLENGES

Appsfactory adopted OKRs to help:

- **Achieve strategic alignment across the organization**, while encouraging a large degree of autonomy within business units

- **Optimize resource utilization** for customer-facing roles to improve profitability

- **Create transparent system**s for evaluating progress and achieving goals

Appsfactory is one of Germany's largest owner-managed digital agencies, designing and developing software and providing IT consulting for household names like Microsoft and Porsche. With a 20% year-over-year growth rate, the 14-year-old company expects to reach 500 employees within the next 18 months.

Of course, rapid growth comes with its share of challenges, and in an effort to improve strategic alignment and optimize resource allocation across their different business units, the leadership team launched an OKR program.

They chose Workboard as their OKR execution platform and hired Wave Nine to help implement the program efficiently, relying on an experienced team of consultants to avoid the false starts and pitfalls that often accompany first-time OKR rollouts.

Appsfactory

RESULTS

Appsfactory reached a near 100% OKR adoption thanks to its data-driven approach and full utilization of Workboard's analytics.
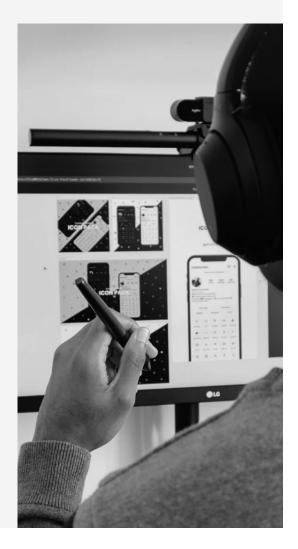
As a matrix organization, they created strategically aligned goals surrounding financial objectives, customer goals, internal processes, and employee development.

> "At a certain point in your company's growth, you need to implement structures that allow people to work independently while remaining aligned. You need to build teams that are self-aware and self-sufficient, but also work in the same direction and toward the same goals."

Roman Belter
Chief Operations
Officer (COO)

Appsfactory

BALANCING ALIGNMENT AND AUTONOMY WITHIN A MATRIX STRUCTURE

As a matrix organization, Appsfactory has designed its organizational structure such that employees involved in customer work are grouped according to their functional department (e.g., Design, Engineering, Quality Assurance) along with the business unit they serve (e.g., Health & Finance, Media).

Each team and each team member ultimately answers to two leaders—the head of their business unit as well as the head of their functional department. This prevents siloes from forming and promotes collaboration within cross-functional teams.

While offering many advantages, a matrix structure can produce challenges with goal alignment, and employees may struggle to serve conflicting incompatible or conflicting goals. That's why Appsfactory chose WorkBoard and Wave Nine as their partner to implement an OKR process that leveraged the benefits of a matrix organization while enabling laser-focus alignment.

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Wave Nine worked with the executive team at Appsfactory to create company-wide objectives that clearly articulated the impact and value needed to achieve their strategy, stretching from financial goals, customer goals, employee development, and improving internal processes.

Then, through a series of goal-setting workshops, Wave Nine worked with Appsfactory to create clear, impact-focused goals that made sure every business unit was aligned with the corporate vision, creating clear and specific Objectives and Key Results (OKRs). Across the matrix business, the OKRs now aligned a complex organization across business units with compatible goals that fed into the larger vision.

Lastly, Wave Nine brought alignment to the entire organization by aligning functional departments through sets of OKRs that were compatible with each business unit's OKRs.

Through Wave Nine's careful planning and program management, OKR-setting workshops, and enablement on WorkBoard, Appsfactory managed to localize OKRs for both business units and functional departments that gelled seamlessly with each other and the company's larger goals.

At the same time, they empowered each business unit and department to maintain a large degree of autonomy to support the ingenuity and creativity that is key to the Appsfactory brand.

> ❝At first, our teams struggled to articulate goals, but the Wave Nine team helped them identify goals at the business unit and departmental levels. Finding goals that fit into the larger objectives helped us move the needle in the right direction.❞

Roman Belter
Chief Operations
Officer (COO)

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Appsfactory

RESOURCE OPTIMIZATION AND TRANSPARENCY

In addition to forging alignment, Appsfactory hoped to maximize resource utilization—the strategic use of labor resources related to work that directly impacts clients. This meant striving to ensure that 80% of each designer, software engineer, or QA engineer's time was spent on billable client work.

As a data-driven organization, Workboard's analytical tools helped Appsfactory identify objective metrics to determine whether these goals were met. In cases where employees were pulled away from billable client work for other projects (e.g., a designer works on marketing collateral), the transparency provided by the OKR program led to vital discussions about prioritization and utilization.

"It's a great practice to look at the WorkBoard dashboard regularly," says Roman. **"It provides a link between the performance data we currently have and our strategic goals, and it allows every team member to see where they are in relation to their goals at any given moment."**

> One of the reasons we had such a successful adoption is that we had this guided approach from Wave Nine on how to structure meetings, how to set up OKRs, and how to use the tools to get the data and define the different metrics.

Roman Belter
Chief Operations Officer (COO)

Appsfactory

APPSFACTORY'S OKR STRATEGY

Appsfactory began its OKR journey with an executive workshop facilitated by Wave Nine, followed by workshops with each business unit and functional department to set localized OKRs. Meanwhile, Wave Nine trained a small team to become certified OKR coaches.

During the first quarter, Wave Nine spearheaded the initiative to efficiently establish a program, with Appsfactory's internal coaches working side-by-side and learning from them. Throughout the second quarter, Wave Nine handed the reins to the internal staff, sitting shotgun and advising as the team moved forward to develop the initiative.

Appsfactory built OKRs, at all levels, related to:

Financial goals

Optimizing internal processes

Customer goals

Employee learning and growth

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The company's work with Wave Nine allowed them to work quickly, implementing the program efficiently and avoiding many of the challenges that beginners face when launching OKR programs on their own.

RESULTS: GREATER ALIGNMENT WITH NEAR 100% ADOPTION

Thanks to Workboard's analytics and the transparency it provides, Appsfactory managed to achieve a near-100% adoption through the business units and departments in which they launched their initial OKR program. Wave Nine helped them spot any bottlenecks in updating OKRs, and the Appsfactory team used that data to perfect their implementation.

Based on their initial success in the first year, they now have plans to expand the program throughout the organization, beyond those involved directly in billable client work.

"Wave Nine's consultants were always able to answer my questions quickly. They were great coaches, and any time we needed them, they were there for us."

Rico Pechacek
Business Process
Owner (BPO)

Appsfactory

The OKR program helped Appsfactory achieve:

Company-wide alignment on larger goals

Localized goals that supported each business unit's autonomy

Improved resource optimization (i.e., utilization)

Better systems for connecting with, and supporting, customer goals

Appsfactory

KEY TAKEAWAYS

Each Wave Nine case study offers valuable insights into launching and maintaining a successful OKR initiative. Here are some powerful insights from Wave Nine's work with Appsfactory.

Appsfactory credits their near 100% adoption rate with a number of factors, including:

- Full backing from executive management regarding the OKR methodology
- Strategic use of Workboard analytics to spot bottlenecks in adoption
- Focusing on business unit OKRs once they had set company-level OKRs, then working to create OKRs for functional departments that gelled seamlessly with each business unit's goals
- Guidance from Wave Nine to support the initial implementation, set outcome-based OKRs, train and certify internal coaches, and keep the program going strong

> "When your teams have a chance to set their own goals, you may be surprised by what they come up with, setting goals you would have never set for them," says Roman. "This can lead to helpful discussions where you work together to refine those goals."

> ❝ Wave Nine has us working with very senior consultants, who are able to steer us on the correct path. They help us carve out what is important during each discussion, and they are always available to guide and support the process. ❞

Roman Belter
Chief Operations Officer (COO)

Appsfactory

Appsfactory has an internal motto: "New is beautiful." As a data-driven organization that embraces change and new perspectives, their culture was set up for OKR success.
All they needed was guidance from seasoned OKR professionals to bring the program to life.

READY TO INTEGRATE OKRS INTO YOUR TRAINING AND DEVELOPMENT STRATEGY?

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Wave Nine brings results to OKR programs with your new digital operating rhythm. For startups and enterprises that are serious about OKRs, we built the playbooks, templates, and resources that energize teams, clarify strategies, and drive accountability. We hands-on execute your program in workshops and training from the executives to the teams that make it happen. Headquartered in Silicon Valley with offices in Germany, UK and Australia, we partner with the leading strategy execution platform WorkBoard to make your strategy happen. **www.wavenine.com**

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