

Unlocking Team Potential: How OKRs Address Lencioni's Five Dysfunctions

I've written [elsewhere](#) about how adopting OKRs can help build healthy workplace cultures by fuelling employee engagement; and this got me thinking about how adopting OKRs can also help support initiatives to turn around dysfunctional teams.

Let's approach this problem using Lencioni's model of team dysfunction. Although it's not without its critics, Lencioni's model provides a useful conceptual framework for understanding why teams underperform and how to lift their performance. In this article I'll briefly summarise Lencioni's model and then explore how OKRs can be used as a tool to help teams function more effectively.

Lencioni's Model - A Brief Recap

In his book [The Five Dysfunctions of a Team](#), Patrick Lencioni outlines five common pitfalls that prevent teams from achieving their potential. These are not presented as isolated problems, but rather as a hierarchical pyramid, where the failure to overcome a lower-level dysfunction contributes to the dysfunctions above it.

Lencioni's Pyramid of Dysfunction



The five dysfunctions are:

1. **Absence of Trust:** At the base of the pyramid, this dysfunction is the most critical and stems from team members' unwillingness to be vulnerable with one another—to admit mistakes, acknowledge weaknesses, or ask for help. Without this foundational trust, genuine teamwork is impossible.
2. **Fear of Conflict:** Teams that lack trust find it difficult to engage in robust debate about important issues. Instead, they preserve a state of artificial harmony where disagreements are

avoided and discussions are guarded. This stifles innovation and leads to inferior decisions because new ideas are never surfaced and tested.

3. **Lack of Commitment:** When ideas are not openly debated, team members are less likely to genuinely buy into decisions. They may give superficial agreement in meetings but lack true commitment to achieving agreed results.
4. **Avoidance of Accountability:** Without commitment to a clear plan of action, team members hesitate to challenge their peers on behaviours and actions that are counterproductive to the team's goals. Their fear of conflict also prevents them from holding each other to high standards.
5. **Inattention to Results:** The ultimate dysfunction occurs when team members are not held accountable for their contributions. They begin to prioritise their own needs—such as career development, or personal status—above the collective goals and results of the team.

OKRs as an Antidote to Team Dysfunction

Now let's dig into how OKRs can help cure team dysfunctions¹.

Building Trust

The absence of trust is often rooted in a team's collective fear of being vulnerable. In a low-trust environment, team members are unwilling to be genuinely open with one another about their mistakes and weaknesses. They conceal errors, hesitate to ask for or offer help outside their direct responsibilities, and can form negative conclusions about their colleagues' intentions and abilities. This state is now often characterised as a lack of psychological safety, a shared belief that the team is safe for interpersonal risk-taking. Without it, team members protect themselves by building walls, which inhibits collaboration.

How OKRs can Help

A well-implemented OKR framework systematically builds trust by engineering transparency and normalising vulnerability. Rather than relying on one-off team building exercises, OKRs integrate trust-building behaviours into the team's core processes through three key mechanisms:

1. **Transparency:** A core tenet of the OKR framework is transparency. All OKRs should be public and visible to everyone in the organisation. This transparency demystifies what other teams and individuals are working on and, more importantly, why. It reduces the uncertainty that breeds mistrust, as hidden goals and priorities often lead to negative assumptions. When everyone's goals are open for inspection, it becomes harder to question intentions.

¹ If you need a quick overview of OKRs before reading further, please check out our [OKR Primer](#). For a more detailed introduction to OKRs, check out our workbook [Understanding OKRs: The "What" and "Why"](#)

2. **Co-creation:** In an OKR environment, teams are actively involved in co-creating the Objectives and Key Results they will be responsible for. This process gives every team member a voice and a stake in the plan. It demonstrates that their expertise is valued and that they are trusted to find the best path forward. This autonomy leads to a deeper sense of ownership and investment in the outcomes.
3. **Stretch Goals Normalise "Failure":** The use of aspirational or stretch goals (where making meaningful progress towards an ambition target, even if it is not fully achieved, is considered a success) is a powerful mechanism for building psychological safety. This practice explicitly reframes "failure" as a valuable learning opportunity. It makes it safe for teams to be ambitious, to experiment, and to fall short without fear of negative repercussions. This normalisation of vulnerability is the very essence of building trust, as it encourages the open admission of challenges and mistakes.

Encouraging Constructive Conflict

Teams that lack a foundation of trust are unlikely to engage in healthy conflict. This fear of conflict does not lead to an absence of disagreement; rather, it leads to an absence of **productive** disagreement. Team members avoid rigorous debate around ideas and strategies, opting instead for a state of artificial harmony. In this environment, critical topics are sidestepped to avoid discomfort, and the most important conversations happen in back channels. This avoidance prevents the team from surfacing and testing new ideas, tapping into diverse perspectives, and ultimately arriving at the best possible decisions.

How OKRs can Help

The OKR framework, by its very design, does not just allow for healthy conflict—it requires it. The process of setting and aligning OKRs provides a regular, structured, objective forum for the kind of productive debate that dysfunctional teams avoid. The OKR framework channels this conflict constructively by:

1. **Forcing Prioritisation and Trade-offs:** Because a team can only have 3-5 Objectives per quarter, the planning process forces difficult conversations about what truly matters most. It surfaces competing priorities and forces the team to negotiate and resolve them upfront.
2. **Depersonalising Disagreement:** OKRs depersonalise conflict by creating a shared, objective target. In a dysfunctional team, challenging a colleague's project can feel like a personal attack. In a team governed by OKRs, the debate is reframed from "I don't like your idea" to "I'm not convinced that initiative is the most effective way to achieve our shared Key Result". The conflict becomes about the best strategy to achieve a common goal, making it safer for team members to engage.
3. **Data-Driven Debate:** Well-written Key Results are, by definition, measurable and quantifiable. This allows teams to ground their debates in data, evidence, and objective reality rather than

relying on opinions or anecdotes. When the discussion is about which approach is most likely to impact a specific metric, the conflict becomes more rational and less personal.

Building Commitment

A lack of commitment is often the result of a fear of conflict. When team members do not engage in open debate and feel that their opinions have not been heard or considered, they are less likely to truly buy into the final decisions. They may offer apparent agreement or remain silent during a meeting to preserve harmony, but this consensus is not deeply felt. This lack of genuine commitment breeds ambiguity, as the team is unclear on direction and priorities, and it undermines execution as individuals second-guess decisions and hesitate to move forward with conviction.

How OKRs can Help

The OKR framework can be an important driver of genuine commitment. It achieves this by transforming goal setting into a negotiated agreement that is built on shared ownership. This is accomplished through several core mechanisms:

1. **Radical Clarity:** A well-written OKR is the epitome of clarity. There is no room for doubt or misinterpretation about what success looks like or how it will be measured. This clarity eliminates the ambiguity that allows for "malicious compliance"—the act of doing exactly what was asked but no more because of a lack of true buy-in.
2. **Buy-in Through Co-Creation:** The OKR setting process ensures that team members are deeply involved in defining their own goals. By participating in the debate and contributing their expertise, they feel their perspectives have been heard and valued. This sense of ownership is the foundation of genuine buy-in.
3. **Clarity of Expectations with Committed vs. Stretch Goals:** The explicit distinction between committed OKRs (must-do goals) and stretch goals provides an additional layer of clarity. This labelling system ensures that everyone on the team understands the precise level of expectation for each goal from the outset. It prevents the demotivation that comes from treating a stretch goal like a hard commitment and the underperformance that comes from treating a critical goal like a mere aspiration.

Creating Accountability

Avoiding accountability is the natural consequence of a lack of commitment. When a team has not truly bought into a clear plan of action, its members will be hesitant to hold each other accountable for their behaviours and performance. This reluctance stems from a desire to avoid interpersonal discomfort and conflict. Rather than challenge a peer on a missed deadline or a drop in quality, team members will often look the other way. This avoidance allows standards to slip, encourages mediocrity, and can ultimately breed resentment among high-performing team members who feel they are carrying an unfair share of the load.

How OKRs can Help

The OKR framework is designed to build a culture of accountability, not one of blame. The regular OKR cadence makes accountability a proactive, continuous, and supportive process. It addresses the fear of interpersonal discomfort by focusing conversations on objective data, not subjective judgments.

This reframing is critical. A Key Result that is trending poorly is not treated as a personal failing but as a collective problem to be solved. OKRs instil this culture of accountability through several key mechanisms:

1. **Objective, Data-Driven Measurement:** Measurable Key Results make performance visible and undeniable. Accountability conversations are no longer based on subjective feelings or accusations ("I feel like you're not pulling your weight"). Instead, they are grounded in objective data: "Our KR to reduce customer churn is currently at 5%, and our target is 2%. What's causing the gap?". This shifts the focus from the person to the problem.
2. **The Cadence of Accountability:** The routine of weekly or bi-weekly OKR check-ins creates a regular, low-friction forum for discussing progress. Because these conversations happen frequently, they become a normal part of the team's workflow. Issues are surfaced and addressed early, preventing them from escalating into major problems. This continuous loop transforms accountability from a dreaded episodic event into a supportive, ongoing dialogue.
3. **Shifting Accountability from Leader to Peers:** Because all OKRs are transparent and the team's progress is shared, a powerful sense of collective ownership emerges. The primary source of accountability shifts from the leader to the peer group. Team members feel a responsibility not to let their colleagues down, a motivation that is often far more powerful than the desire to please a manager.

Focussing on Collective Outcomes

Inattention to results is the fifth team dysfunction, resulting from the other four. When team members don't trust each other, fear conflict, lack commitment, and avoid accountability, they inevitably begin to focus on things other than the collective results of the team. Their focus shifts to protecting their own status, advancing their individual careers, or achieving personal goals, often at the expense of the team's primary objectives. The team may be busy, and its members may be individually successful, but the team as a whole fails to achieve its most important goals.

How OKRs can Help

The entire OKR framework is fundamentally designed to combat this dysfunction by forcing a focus on collective outcomes. Many teams measure success by how "busy" they are—the number of features shipped, tasks completed, or meetings attended. This is a classic sign of inattention to results. The OKR framework, by its very nature, forces a mindset shift from being "busy" to being "impactful." It constantly demands an answer to the question, "So what?" "We launched the new feature... so what was the impact on the business?" This focus on impact over activity is the most direct cure for this dysfunction. This is achieved through several core design principles:

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1. **Outcome-Centric by Design:** The "R" in OKR stands for Results. A foundational rule of the framework is that, wherever possible, Key Results should be defined as measurable outcomes, not activities or outputs. An activity-based KR might be "Launch the new marketing campaign." An outcome-based KR would be "Generate 500 new marketing-qualified leads from the new campaign." This distinction forces the team to focus on the impact of their work, not just the completion of tasks.
2. **A Shared Definition of Winning:** OKRs provide a clear, measurable, and shared definition of what "winning" looks like for the team during a specific cycle. This rallies everyone around a common purpose and makes it difficult to justify prioritising activities that do not contribute to the team's declared Objectives.
3. **Team-Level Goals as the Primary Unit:** While individuals can have their own OKRs, the framework is most powerful when applied at the team and company levels. By prioritising shared, team-level OKRs, the collective impact of the team becomes the primary unit of measurement. This structure naturally subordinates individual interests to the greater good of the team.