

ORIGINAL ARTICLE

Using OKRs to design a Canvas business model: the case of an Argentinian SME

ABSTRACT

This research proposes the design of a model for the sale of components, spare parts, and bicycles through an online platform. The case illustrates the combined use of two highly popular tools: Objectives and Key Results (OKRs) and Canvas. The paper presents how a small and medium enterprise (SME) used the OKR agile methodology to map a new business model. Regarding the research methodology used, it is descriptive and uses a qualitative approach in the shape of a case study. Data were collected using direct observation. The data were collected in the location where the company being studied operates. The study concludes that it is plausible to apply the OKR methodology in a different way from usual, by developing and implementing the steps to achieve the objective and key results of a new business unit belonging to a small family business in a regional economy within Latin America. The main benefit identified is learning the priorities or key results expected by the relevant individuals in charge, which contributes to improvement the organization's performance since it helps link workers with the company's strategic objectives and take timely actions to achieve the expected progress.

Keywords: OKR; Canvas; Agile methodology; SME.

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INTRODUCTION

Creating a business model means evaluating the business idea realistically. However, this process may generate concern, especially among SMEs. In such regard, publications, consultants, and business schools are constantly innovating and formalizing management tools that help the design and implementation of business models become a more agile process, even for SMEs. One of the most recent tools is known as OKRs, an acronym for Objectives and Key Results. It seems to be very popular, since a joint internet search for the terms “objectives” and “key results” results in over half a million results. However, there are few academic works on this issue, since Web of Science only features a presentation from a 2021 conference, while ProQuest reports a journal article from 2019 with double-blind peer review. This disparity suggests that a descriptive, exploratory study of OKR use in an SME from a Latin American regional economy may help formalize the academic study of this and other tools, which are constantly promoted by publications, consultants, and business schools.

In 1954, Peter Drucker introduced the concept of management by objectives with self-control. This became the foundation for the work of Andy Grove, Intel CEO (Doerr, 2017). Andy Grove returned to Peter Drucker's idea, and developed the OKR methodology in 1968. However, it was not until 1999 when John Doerr introduced this methodology in Google (Anatolyevna *et al.*, 2020).

Starting in 2010, OKRs are used by large global companies such as Netflix, YouTube, Facebook, GAP, and Mercedes Benz, not only for establishing objectives, but also as a philosophy to address business organization, promoting transparency, communication, and the intervention of all the organization's employees (Anatolyevna *et al.*, 2020).

Most companies share the aim of achieving success by designing and meeting their objectives. For this reason, innovative business models are often born nowadays, and completely new industries substitute those which do not reinvent themselves to remain competitive (Osterwalder *et al.*, 2010).

Therefore, the aim of this article is to generate a feasible value proposition to be implemented by an SME in a regional economy from Argentina with a business unit dedicated to the sale of bicycles, spare parts, and accessories. The use of other tools in small enterprises from Latin American regional economies has been widely documented, as is the case of Activity-Based Costing (ABC) (Vicente Bejarano, 2023), but their dissemination is also applicable to other more recent tools such as the digital business model (B2C e-commerce) based on Canvas to represent the model, and the generation of a value proposition using the OKR process. The question that naturally emerges is whether OKRs and Canvas can be used by SMEs in Latin America and, if they are used, what positive effects can be noted. We seek to identify whether this combination of tools can improve productivity and connection with customers (Gamarra Montoya, 2022; Mendoza Mendives, 2022) in family businesses (Sánchez-Sánchez *et al.*, 2020) in Latin American regional economies (Tinco Rojas, 2022).

New management control tool: OKRs

Doerr (2018) defines OKRs as a “metodología que ayuda a que en toda la organización los equipos de trabajo definan y se centren en objetivos medibles y que contribuyan a las prioridades de la empresa” [methodology that helps work teams define and focus on measurable objectives and contribute to the company's priorities throughout the organization] (p.17). In such regard, Zhou and He (2018) state that OKRs are a “proceso de reflexión o razonamiento y continua disciplina, diseñado para garantizar que los empleados trabajen juntos y enfocados en objetivos, cuyas contribuciones son medibles” [process of reflection or reasoning and continuous discipline, designed to ensure that employees work together focusing on objectives with measurable contributions] (p. 319). Meanwhile, Troian *et al.* (2022) highlight that OKRs are a method to define and track organizational objectives.

OKRs are directly related to agile methodologies, which are characterized by being flexible to changes and promoting constant feedback from final users and customers. At the same time, OKRs are mainly associated

with the *software* development and communication technology departments (Troian *et al.*, 2022). However, Cardoso (2020) stresses that this methodology is adaptable and can be used in another industry type. Similarly, Anatolyevna *et al.* (2020) highlight that “no existe limitante para la aplicación de los OKR en las empresas de los diversos sectores de la economía” [there are no limiting factors for OKR application in companies from various sectors of the economy] (p. 21).

On the other hand, successful OKR implementation depends on the creation of OKRs themselves; this is to say, each company must design the OKRs which adapt to the needs of each organization (Beaussart, 2021). In such regard, Contero and Martín (2020) highlight the key and fundamental elements to develop for the correct and successful implementation of OKRs: purpose, objectives, key results, tasks, superpowers, conversations, *feedback* and recognition (CFR), culture, leadership, and transparency.

The starting point for the OKR model development is the definition of the organization’s strategy or mission, knowing whether the OKRs will be implemented at the strategic, tactical, or operational level, and how often they will be monitored (Cifuentes, 2019).

Establishing or defining objectives alone will not guarantee that these will be achieved. For this reason, strategic direction is a key process to achieve organizations’ future objectives. Another important factor to achieve them is training, because it involves aspects such as organizational, corporate, and technological training (Aguilera Castro, 2010).

Cifuentes (2019) proposes an OKR methodology or lifecycle contributing to their successful definition and tracking:

- **Objective definition.** The OKR Owner defines objectives by interpreting the facts, changes, or events that take place in the organization, department, or sector where the objectives are established. In other words, the data obtained are analyzed and how by improving or strengthening them, they contribute to the objective proposed.

It is therefore advisable to design three to five objectives, and no more than five key results per objective. There are two objective types:

- **Committed.** The objectives that the team has agreed to achieve. The team is willing to make the necessary adjustments to the plan and to obtain the resources that ensure that they are achieved.
- **Aspirational.** It is enough to achieve 70% of the key results to consider that the objective has been attained.
- **Definition of objectives by teams.** When the strategic objectives are established, the OKRs are designed and cascaded so that all the organization’s level work in alignment with the established priorities.
- **Communication of OKRs.** At this stage, all the OKRs are presented in a transparent manner during a meeting or session, in a physical or digital format, stating how they contribute to the priorities. It is important for everyone to have access to the OKRs at all times. One way of ensuring this is to have them published near their working areas.
- **Monitoring of OKRs.** At this stage, the OKR tracking frequency is established. It is advisable for monitoring sessions to be short, regulated, and to have a defined agenda. The recommended visualization type is through graphs or tables, and a color key is used to represent the compliance status. Green is used if the expected result has been fully met. Yellow is used if there is partial progress. Red is used when the result must be redefined because the actions identified so far do not contribute to meeting the objectives.
- **Review and analysis of OKRs** The scale proposed to measure compliance is detailed below:

- From 0% to 39%, it is represented in red in the table or graphs. Red indicates that there is real progress.
- From 40% to 69%, it is represented in yellow. This color indicates that there has been progress, but the results expected have not been met yet.
- From 70% to 100%, it is represented in green. This color indicates that the result has been achieved.

In addition, Mora-Riapira *et al.* (2015) state that “existe una relación directa y significativa entre la planificación estratégica y las dimensiones de la competitividad de las pequeñas y medianas empresas” [there is a direct, significant correlation between strategic planning and the dimensions of small and medium enterprise (SME) competitiveness] (p. 86). Their study highlights the importance of a business model that is articulated with the strategy, given that significant benefits are obtained through the formulation of strategies, coordinated and aimed at the established goals as common objectives for everyone in the company.

Canvas business model

An adequate design and implementation of a business model can be achieved by using OKRs. Chesbrough (2007) states that

Refiere a la forma de identificar la oferta o aporte que recibirán los clientes, de definir el segmento objetivo, establecer la cadena para la creación y entrega de valor, identificar los flujos de costos e ingresos y formalizar la posición y estrategia competitiva. [it refers to the way in which we are to identify the proposal or contribution customers will receive, to define the target segment, establish the value creation and delivery chain, identify the cost and income flows, and formalize the position and competitive strategy]. (p. 15)

Meanwhile, Llorens Bueno (2010) stresses that “se trata de una representación de la forma en la que funciona el negocio” [it is a representation of the way in which business operates]

(p. 4). In other words, it describes the benefit that OKRs provide to customers, how it arrives, how it connects with them, how it relates to suppliers, employees and its entire environment. Osterwalder and Pigneur (2010) describe a business model as the foundation upon which companies can create, provide, and generate value (p. 4).

Canva is a tool developed by Osterwalder and Pigneur, 2010. Its aim is to visually represent a business idea. Through this representation, it reveals how companies produce, deliver, and capture value (Osterwalder *et al.*, 2014; Ferreira Herrera, 2015; Quevedo Zalamea and Zalamea Coronel, 2022). The business idea is represented in a template or “canvas” that helps visualize the various value areas of the company, and how they should interact so that the company becomes viable.

This methodology consists of nine modules: customer segmentation, value proposition, channels, customer relations, revenue sources, key resources, key activities, key associations, cost structure. The core or focus of these modules is the business strategy, and is graphically represented on the canvas (Ferreira Herrera, 2015). At the same time, it has three parts: the customer profile, where the target customer characteristics are given; the value map, which specifies how value will be created for a given customer segment; and the fit, which occurs when both the client profile and the value map align to meet customers’ needs.

METHOD

This study used applied research, which according to Lozada (2014), intends to “generar conocimiento de una aplicación directa a los problemas de la sociedad o el sector productivo” [generate knowledge for a direct application to societal or productive sector problems] (p. 34). The focus is qualitative, in the form of a case study, and occurs in the natural context of the company that is the study subject. Data collection was conducted through direct observation of the study author, and consisted of data collection in the natural environment where the facts take place, without any variable manipulation or control. The data required to conduct this work were collected in the space where the company operates (Palella Stracuzzi and

Martins Pestana, 2012). The data collection instrument chosen is fieldnotes, which record notes, remarks, and interpretations of the scheduled gatherings where interaction with the work teams took place. (Clark *et al.*, 2010; Neu, 2019). Regarding the study population, it is the total of company actors or members who participated in the activities conducted. The sample was limited to the events and gatherings that the researcher was able to access.

To illustrate the steps to follow to design and implement a Canvas business model using OKRs, this study used the case of a commercial company that started its operations in 1989 in the Córdoba province (Argentina), focusing on the sale of spare control cables for cars. Currently, it is a wholesaler of car spare parts, with 60 employees distributed in the Sales, Telephone Customer Service, Administration, Accounts, and Management, in the positions of sales representatives, order preparers, and merchandise organizers (guardians). The target customers are spare parts retail stores located in the provinces of Córdoba, Santa Fe, La Rioja, Catamarca, Salta, Jujuy, Santiago del Estero, and San Luis. The company being studied has a large number of products, grouped in more than 100 categories and 35,000 items. Its mission is to become a company that not only distributes spare car parts, but also has the capacity to provide a comprehensive and distinguished service and to deliver high quality products. The opportunity identified by the company consists of creating a new business unit to sell bicycle parts, accessories, and components online, taking advantage of the knowledge it already has as a distributor of car parts (Autocor, wholesale spare parts supplier, n.d.).

Then, the data collection and results are documented following the OKR and Canvas sequence. To advance the model of the new business unit, the business partners defined the mission; that is to say, the purpose to be achieved as a company. Then, the key objectives and results were created; according to Osterwalder *et al.* (2014), this is a simple management system guided by objectives which promotes the alignment and focus of teams or organizations, helping establish an objective to be achieved

and the key results, which are the way in which these objectives are to be achieved.

RESULTS

Stage description in the OKR design

Cardoso (2020) states that a company's mission is its reason for existing, and must declare and communicate its strategic goals. In such regard, to meet the first objective of this research, online we proceeded, together with the company's partners and managers, to define the mission of the new business unit whose purpose is: "Ser la mejor plataforma online de repuestos, accesorios y componentes de bicicletas en la provincia de Córdoba para satisfacer las necesidades de todo ciclista y fomentar el ciclismo en todos sus niveles [To be the best online platform for bicycle spare parts, accessories and components in the province of Cordoba to meet the needs of all cyclists and promote cycling at all levels] (Autocor, s.f.)".

Based on the mission of the new business unit and the criteria outlined by Doerr (2017), which indicate that the definition of the company's OKRs should result from the discussion on the strategic priorities of senior management, we proceeded to develop a methodology called the Five Steps of OKRs, which establishes the phases to implement the OKR methodology, as detailed below.

Five steps of OKRs

- **Step 1. Define the context.** To develop this stage, the directors, who comprised three shareholders and one employee in the role of director, analyzed and communicated to the employees that participated in the activity those internal factors and conditions with a positive effect on OKR conception.
 - **Emotion.** At this stage, the necessary conditions to guarantee the tranquility and availability of those participating in OKR creation are created.
 - **Way of recording ideas.** Notes that are added to the ongoing work.

- **Intention.** It intends to communicate the team those aspects to consider for the development of objectives in relation to: i) Time, for the purpose of analysis, a quarterly objective is established, estimated to define the parameters of the business model; ii) Strategic level, where only the main leaders of the company are involved; iii) Role, which is an objective of labor analysis in this case; and iv) Status, which is undoubtedly a new objective that is being proposed.
- **Step 2. Creativity.** This step uses the brainstorming technique, which consists of taking a note of all the ideas that participants think of, without censoring any. Before starting this step based on the defined mission, two key questions aimed at the objective and the key results that serve as creative triggers of the activity were established. For the objective design, the following question was asked: Why generate a new business unit for the online sale of bicycles, spare parts, and auto parts? This led to the brainstorming process, generating proposals such as designing a business model capable of creating value for customers, creating an online platform with personalized advice to diversify portfolios and business risks, capturing a portion of the growing market, and so on. The same procedure was carried out for the key results, asking the question: How will the success of the new business unit be measured? Various ideas emerged, such as generating a written and substantiated business model to take advantage of the internal situation and the market context; implementing the project, hiring resources specialized in *web* development, and developing the logistics of merchandise delivery.
- **Step 3. Hierarchization** The company's management is involved at this stage. Here, the ideas generated are classified, and the ideas that can be considered as an objective and those that can be considered as a key result are analyzed as a whole.
- **Step 4. Draft.** At this stage the team, starting with the deliverable from step 3, asked the following key question for all the ideas generated: Does it have the form of an OKR? Then, a consensus was reached to establish the following OKR.
 - **Objective.** To create a feasible and real value proposition expressed in a digital business model for the sale of bicycles, spare parts and accessories.
 - **Key results.** i) Design the business model through Canvas; ii) Establish a method to validate the project feasibility, and iii) Implement the project once validated.
- **Step 5. OKR** At this stage, as can be noted in table 1, the objective and key result were checked to see if they meet the main characteristics or requirements of the OKRs (Contero and Martín, 2020).

Once the OKRs have been validated, a decision is made as to how they will be informed to the teams within the organization. The focus is on declaring the clear objective, followed by three key results. This is an aspirational OKR, and not assigned, because there are key results which are future-oriented. It is possible that certain aspects will not be met 100%. For this reason, OKR tracking will be performed on a weekly basis, indicating the percentage of advance and score. The OKRs will be visible and will be presented at the end of every month to motivate employees to reach the expected result.

Description of stages in the business model design based on Canvas

The methodology by Osterwalder and Pigneur (2010) to develop the Canvas modules was applied to the business model being studied. The implementation strategy consisted of developing three dimensions of the Canvas methodology monthly. Progress was controlled

Table 1
OKR requirements or characteristics

Objective / Key result	Description	Type of metrics	Requirements
Objective	To create a feasible and real value proposition expressed in a digital business model for the sale of bicycles, spare parts and accessories.	Action	The objective is clear, concrete, challenging, and inspiring.
Key result	Design the complete business model through Canvas in the next three months.	Result	<ul style="list-style-type: none"> • Aggressive and realistic. It promotes the design of a business model that is not fully known. • Measurable and verifiable The canvas is the chosen tool to represent the business model and the creation of the value proposition.
Key result	Establishing a method to validate the feasibility of the business model in 5 months.	Action	<ul style="list-style-type: none"> • Specific. It determines how the business model will be validated.
Key result	Establishing a method to validate the feasibility of the business model in 5 months.	Action	<ul style="list-style-type: none"> • Aggressive and realistic. A business unit cannot be created just with a model and its justification in writing.
		Acción	<ul style="list-style-type: none"> • Específico. Avanzar con la implementación del proyecto. • Agresivo y realista. Avanzar luego de un mínimo producto viable, es realmente un desafío para la empresa. • Medible y verificable. Desde el momento en que la unidad de negocios comienza a comercializar desde la plataforma <i>online</i>.
Resultado clave	Implementar la propuesta de valor del proyecto una vez validado.		

Note. Compiled by author, 2024.

on a weekly basis and published on a monthly basis to track, generate relevant actions in case of failure to comply, and motivate the work teams. Table 2 includes the dimensions developed each month; however, during the last month, several limitations appeared and caused delays in the development of the key activities and associations milestone. Despite this, the expected progress was achieved.

Once the objective to develop has been defined, progress is made with the first key result by developing the initiatives; in other words, the tasks performed to build the business model. These initiatives are characterized by being concrete and visible; they are developed on a weekly basis; and, as the process advances, there are movements in the key result. The methodology by Osterwalder and Pigneur (2011) is then applied to develop the Canvas modules by applying them to the business model being studied, starting from the Customer Segment.

Without a doubt, the target customers are cyclists: professional, recreational, those who know how to ride a bicycle, those who use training wheels, those who learned as children, those who compete, or those whose goal is to

improve every day by riding longer distances. Regarding the selection of the customer segment and the choice of the type of cyclists to focus the value proposition on, a study was conducted among the users of cycling apps, Facebook forums, and conversations with bicycle shop owners and online stores selling spare parts. This resulted in three well-differentiated cyclist segments: those who shop in bicycle or online stores, and those who keep records through GPS or an app. This information helped create table 3 showing the customer profile with the main concepts of customer joys, frustrations, and occupations.

The same process is conducted for each of the key results listed in table 2 until all of them have been covered as shown in table 4, which presents the results of analyzing the nine dimensions of the Canvas analysis, as well as Figure 1, where they are organized in the graphic presentation.

DISCUSSION

This research involved the challenged of empirically extending Merlo's (2022) work. Its originality lies in the application of OKR

Table 2
Milestones / Key dimensions

Key result	Milestones - Key dimensions	Month 1	Month 2	Month 3	Quarterly progress
Design a complete module through Canvas in three months.	1-Segment customers	1.0			1.0
	2-Value proposition	1.0			1.0
	3-Channels	0.7			0.7
	4-Customer relations		0.8		0.8
	5-Sources of revenue		1.0		1.0
	6-Key resources		0.6		0.6
	7-Key activities			0.3	0.3
	8-Key associations			0.5	0.5
	9-Cost structure			1.0	1.0
Score	Result status				0.8

Note. Compiled by author, 2024.

Table 3
Customer profile design

Joys	Frustrations	Occupations
Historical data on spare parts	Not very user-friendly <i>website</i>	Good spare parts
Route history	Spare part or component not as expected	Learn routes
Community as information source	Failure in delivery	Looking for sports advisory
Product shopping experiences	Out-of-stock products	What other cyclists do in similar situations

Note. Compiled by author, 2024.

Table 4
Canvas business methodology










Dimensions	Implementation result
Customer segment	Regarding the choice of customer segment, the business model focuses on: <ul style="list-style-type: none"> • Cyclists who shop at brick-and-mortar stores. Apart from shopping in brick-and-mortar stores, they receive information on social media sites such as Instagram and Facebook. • Cyclists who shop online. Customers who generally research and know about the change that they wish to perform. • Cyclists who keep records. Regardless of the way in which they perform changes in their bicycles, they generate data on each ride and record it through a GPS or any mobile app.
Value proposition	The value proposition defined is: <i>The online companion for each cyclist!</i> and focuses on: <ul style="list-style-type: none"> • Communicating the benefits of open-air sports, training on the use and requirements for riding a bicycle, advantages of preventive maintenance, places and landscapes that can be visited. • Personalized online service, with a specialist technician who will provide advice on every question submitted through the service channels. • Tracking the purchase from the moment of placing the order to the receipt of merchandise. • Free order delivery and gifts for every purchase. • Availability of the merchandise stock offered to customers on the website; in other words, guaranteed inventory availability is part of the service.
Distribution and communication channels	The channels the model is aimed at, and are communicated to the market segment are: <ul style="list-style-type: none"> • Company web platform, easily accessible from PCs and cellphones; tutorials and access to the community blog to interact with users, and notification service to stay up to date on new products and prices. • Mobile app version of the platform. • Social media as a communication, sales, and customer service channel. • A showroom where customers can enjoy an experience center to discover usability and functionality.
Customer relations	The company will relate to customers through social media, forums, groups, and communities, offering quality, differential pricing, a monthly or annual subscription service, and differential advisory to generate a competitive advantage.
Sources of revenue	Revenue is generated from the sales of spare parts, components, and bicycles. Premium customers generate revenue through their monthly or annual subscriptions and the personalized advisory service.

Dimensions	Implementation result
Key resources	Key resources will help the company relate to different customer segments. <ul style="list-style-type: none"> • Physical. Merchandise warehouse, meaning a competitive advantage as there is inventory available, vehicles for distribution, IT infrastructure. • Economic. Financing from the parent company for the execution of the project; commercial agreements with suppliers which allow offering credit to customers; premium subscription. • Intellectual. Databases with data on each client that trusts the proposition and records their personal information and data on their routes. • Human. Technicians specialized in bicycles and components, IT professionals, social media content creators.
Key activities	Activities are carried out to solve problems for customers who decide to purchase cycling products online, thus entering the platform/network category, where it is important that the website is simple and easy to browse as part of the user experience. Social media and the way in which they are managed and promoted are also part of the development of this module.
Key associations	Creating alliances is strategic for developing the new business unit; for this reason, it is important to associate with: <ul style="list-style-type: none"> • Large bicycle, spare part, and component suppliers. • Suppliers of cycling apparel and accessories. • Technological solutions that increase the quality of customer service. • The promoters of this business unit on social media.
Cost structure	The costs associated with the model are: <ul style="list-style-type: none"> • Variable for the sale of cycling products. • Fixed for key resources linked to the development and maintenance of the web platform, social media management, IT infrastructure, and human capital costs throughout the business.

Note. Compiled by author, 2024.

Figure 1

Representation of the business model in Canvas

Key partners  <ul style="list-style-type: none"> - Bicycle suppliers - Spare part suppliers - Accessory suppliers 	Key activities  <ul style="list-style-type: none"> - Web and mobile app platform - Social media as promotion 	Value proposition  <ul style="list-style-type: none"> - Personalized client profile - Safe home delivery - Online advisory - Access to the purchase and route history - Replacement alerts - Manuals and compatibility of spares and components - GPS and app integration 	Customer relations:  <ul style="list-style-type: none"> - Influencers - Community in own platform - Tutorials with feedback to customer 	Customer segment  <ul style="list-style-type: none"> - Cyclists who shop at brick-and-mortar stores. - Cyclists who shop online - Cyclists who keep records
	Key resources  <ul style="list-style-type: none"> - Merchandise warehouse - IT infrastructure - Agreements with bicycle brands - Customer database - Bicycle technicians - Technology advisors 		Channels  <ul style="list-style-type: none"> - Showroom - Web and mobile app platform - Social media 	
Cost structure  <ul style="list-style-type: none"> - IT infrastructure - Human capital - Bicycles - Spare parts - Components - Accessories 		Sources of revenue  <ul style="list-style-type: none"> - Monthly and annual subscriptions - Sales of products and services - Personalized advisory service 		

Note. The figure describes the new business model developed for the sale of spare parts and bicycles, designed as a result of the OKR methodology implementation. Compiled by author, 2024.

methodology in a different way from usual, by developing and implementing the steps to generate the objective and key results of the new business unit in the company. As a result, the objective is oriented to what really matters; it is easy to understand, transparent, and easy to track. Meanwhile, the key results are specific, aggressive, realistic, measure, verifiable, and have deadlines. This methodology has been

proved to be adaptable and can be used in various industries (Cardoso, 2020), and there are no limiting factors for the application of OKRs in companies from various sectors of the economy (Anatolyevna *et al.*, 2020). This study is also supported by Pomares Pacheco (2021), who mentions that OKRs are a tool that helps organizations in different sectors and of different sizes to improve their performance. OKRs

can be applied to micro and small enterprises, resulting in significant improvements in their processes. They can also be used by entrepreneurs and to develop new businesses (Moraes Magalhães *et al.*, 2021).

We sought to answer the question of whether OKRs (Doerr, 2017) and Canvas (Osterwalder *et al.*, 2014) can be used by small businesses in Latin America and, if used like ABC costing—which is a popular tool (Vicente Bejarano, 2023), what positive effects are noted? A combination of tools is provided, enriching the work of Gamarra Montoya (2022) and Tinco Rojas (2022) by arguing that OKRs and Canvas have the potential to improve productivity and customer connection (Mendoza Mendives, 2022) in a small family business (Sánchez-Sánchez *et al.*, 2020) located in Córdoba (Argentina) that qualifies as a regional economy in Latin America (Tinco Rojas, 2022).

Prior to the establishment of OKRs, it is important to define the longer-term purpose and culture of the new business unit, in order to propose new sales forms in line with market changes. Therefore, the definition of the mission is part of the process, is fundamental at the beginning of the project, and is stated in writing. In this regard, Cardoso (2020) points out that the mission is the reason for the existence of a given company, and must be stated and communicated in order to achieve long-term success.

Proposing a methodology for the design of OKRs adapted to the reality of the company is the first step for the effective implementation of the tool. A study by Beaussart (2021) points out that the first step towards successful implementations of OKR goal setting systems is the creation of the OKRs themselves. The methodological proposal for the creation of OKRs in this research combined elements such as management alignment, communication, the creation of an environment allowing the creative participation of all company employees, and initiating the process of creating the objective and key results. Contero and Martín (2020), in their recommendations for the successful OKR implementation, highlight four superpowers: focus, teamwork, responsibility, and demand.

Both works point out teamwork as a key factor for the creation of OKRs.

The design of the business model together with its strategic management is key for all companies, since it allows the creation of value by being well focused on customer needs and the particular interests of the company (Mendoza Mendives, 2022). Similarly, Llorens Bueno (2010) points out that, for a company to achieve success, it is not enough to have only the design of a good business model, but it must be supported by good strategic management and, when this happens, a competitive advantage can be generated. This is where the first key result of this study coincides with the design of the business model, which is designed to take advantage of available resources, creating strategic alliances with spare parts suppliers and designing a digital channel that results in a closer experience with customers. This last aspect is considered fundamental since, as some studies point out, business models based on e-commerce generate a competitive advantage in their sectors by having a closer relationship with the customer (Gamarra, 2022), which in turn allows for better and more personalized communication with customers (Jones *et al.*, 2016). In keeping with this, Ochoa (2019), also points out the emotional connection that is created when there is personalized and professional advice, thus motivating the purchase as a result of improving the customer experience, which then also translates into improved profitability (Figueroa González, 2015).

Another interesting element of the process is that during development, OKRs were applied in real time for the design of the business model, and the functionality of the tool was tested during the course of the project. In such regard, it is worth noting that OKRs (as pointed out by Beaussart, 2021) are a flexible process that allows employees to understand how their work relates to the overall objective of the company.

During the process of developing the model under the OKR methodology, employees highlight the flexibility of the tool as it allows them to adjust the results if they are not achieved. This coincides with what Doerr (2017) pointed out, indicating that OKRs allow

companies and their objectives at the corporate and individual levels to adapt to changes in the environment. In relation to this, Niven and Lamorte (2016) highlight that the OKR methodology is based on a collaborative community, and that the main characteristic of this management system is that it is quite flexible (as cited in Pomares Pacheco, 2021).

CONCLUSIONS

After months of work with the management team and managers, it is concluded that, by following the steps of the OKR methodology, it is possible to design the business model in the established time and the objective is achieved, even in an Argentinian SME.

Among the important and key stages of the study is the generation of brainstorming, so it is essential for leaders to convey what they want to achieve; that is, to design the key questions that will guide the process of OKR generation.

It is evident that focus and commitment to priorities are a precise communication tool that coordinates and connects to work as a team, given the transparency they promote and the way in which they link employees with the company's strategic objective, in such a way that they involve everyone with the objectives. By tracking duties with regular reviews and monitoring progress, there is flexibility to make changes during the process. In short, both tools motivate employees to do even more than what might be considered possible at the beginning.

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Conflict of interest

The authors have no conflicts of interest to declare.

Author contributions

Ariel Germán Primo (lead author): conceptualization, data curation, formal analysis, fund acquisition, project management, writing (original draft).

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