APG Partners

STRATEGY TO EXECUTION · OWNER'S GUIDE & WORKSHEET

Setting goals, drivers, results and initiatives that actually connect.

Five terms get stacked as a vocabulary and rarely connected as a chain. This is how to set each one so it links to the one above and the one below, from what you want out of the business to the initiative that gets you there.

The chain: **Goal** → Economic target → Operating driver → Key result → KPI → **Initiative** (+ value & owner) → reconcile monthly

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HOW TO USE THIS

A chain with a missing link carries no load.

Work down the six rungs in order. For each, there's what it is, what a good one looks like, the common mistake, and a box to write yours. The discipline is the ordering: a rung only earns its place if you can trace its line to the rung above. When you've filled in one full chain, run the connection test on page 4. Do one chain end-to-end before you do five in parallel.

> Most goal-setting starts a rung too low, with a quarterly objective, and never reaches the owner's real goal at the top or the accounts at the bottom. **Start at rung 1, with what you actually want, and don't stop until every initiative carries a number and an owner.**

1 The goal OWNER OUTCOME

Where you personally want to end up, with a time on it. This is about you and your relationship to the business, not a metric the business hits.

WHAT GOOD LOOKS LIKE

- Names an outcome for you: sell and step back, replace your income and work three days, hand over to family.
- Has a horizon (two years, five years).
- Everything below exists only to serve it.

COMMON MISTAKE

- Setting a revenue goal ("hit $10m") with no reason attached. Revenue is a lever, not a life outcome.
- Leaving it unsaid, so the plan optimises for something nobody actually wants.

YOUR GOAL

2 Economic target THE NUMBER

The financial destination the goal implies. It translates what you want into what the business must produce: a level of maintainable EBITDA, at a realistic multiple, by a date.

WHAT GOOD LOOKS LIKE

- Works backward from the goal: the enterprise value you need, at an honest multiple, gives the required EBITDA.
- Names the quality of earnings, not just the size.
- One number, one date.

COMMON MISTAKE

- A growth percentage pulled from the air, disconnected from what the multiple actually needs.
- Chasing EBITDA size while ignoring the risks that set the multiple.

YOUR ECONOMIC TARGET (EBITDA × MULTIPLE, BY WHEN)

3 Operating driver THE OBJECTIVE

The few specific changes in the business that move the economic target. In OKR language, your objectives. There should only ever be a handful.

WHAT GOOD LOOKS LIKE

- Names a change: pricing discipline, capacity utilisation, customer concentration, owner dependency.
- You can trace its line to EBITDA or the multiple.
- Few enough to actually resource.

COMMON MISTAKE

- A list of fifteen, so capacity spreads thin and nothing finishes.
- A "driver" that wouldn't move the number even if you nailed it. That's a preference, not a driver.

YOUR DRIVER / OBJECTIVE

4 Key result THE FINISH LINE

The measurable outcome that would prove the driver moved this period. Bounded and time-boxed. It's an output you either hit or miss, not the work you did.

WHAT GOOD LOOKS LIKE

- From X to Y by when: "top-five concentration from 45% to below 30% by year end".
- An outcome, not an activity.
- Unambiguous: you'd know for certain if you hit it.

COMMON MISTAKE

- Writing an initiative ("launch the pricing project") as a key result. That's the work, not the result.
- Vague direction ("improve margin") with no from, to, or by-when.

YOUR KEY RESULT (FROM → TO → BY WHEN)

5 KPI THE STANDING GAUGE

The metric you watch continuously to know the driver is healthy, whether or not you have a key result on it this quarter. A key result is usually a target set on a KPI.

WHAT GOOD LOOKS LIKE

- A metric you'd track anyway, every month, ideally leading rather than lagging.
- Reads the same driver your key result targets.
- Few enough that each one steers something.

COMMON MISTAKE

- Confusing it with the key result. The KPI is the dial; the key result is where you've set it for now.
- Tracking forty, so none of them change a decision.

YOUR KPI (AND HOW OFTEN YOU READ IT)

6 Initiative THE INTERVENTION

The actual work you do to move the key result. Initiatives are inputs; key results are outputs. In the APG model, every initiative carries a value hypothesis and a single owner.

WHAT GOOD LOOKS LIKE

- One named owner, asked about it by name.
- A value hypothesis in dollars: (gross opportunity × capture − cost) × confidence.
- Tied to a specific key result it's meant to move.

COMMON MISTAKE

- No owner, no number, or no key result it connects to.
- A long list of activity that's never reconciled against what it was supposed to deliver.

INITIATIVE & OWNER

VALUE HYPOTHESIS (COMMITTED $)

The connection test

Tick each only if it genuinely holds. An unticked box is where the value leaks out.

- ☐ **The goal is about you,** not a business metric, and it has a date.
- ☐ **The economic target is derived from the goal:** EBITDA and multiple that actually deliver the enterprise value you want.
- ☐ **Each driver traces to the target.** If you nailed it, maintainable EBITDA or the multiple would move.
- ☐ **Each key result is an outcome,** from-X-to-Y-by-when, not an activity.
- ☐ **Each KPI reads the same driver** its key result targets, and you actually watch it monthly.
- ☐ **Every initiative has one owner, a dollar value hypothesis, and a key result** it is meant to move.
- ☐ **Each month, actuals are held against the hypothesis.** Without this the chain is a scoreboard, not a system.

One chain, filled in

Goal	Sell in three years, worth enough to step back fully.
Economic target	Maintainable EBITDA **$2.4m** at a **5×** multiple, by FY29.
Operating driver	Reduce customer concentration (a key risk on the multiple).
Key result	Top-five customers from **45% → below 30%** of revenue by year end.
KPI	Revenue share of top-five accounts, tracked monthly.
Initiative	Named-account diversification programme. Owner: Head of Sales. Value hypothesis: **+0.5× on the multiple, ≈ $780k of EV** at 70% confidence.

A green scoreboard isn't the same as enterprise value that moved.

The APG Platform runs this cascade on your real numbers: it values each initiative, gives it an owner, and reconciles the result against your accounts every month. A Commercial Assessment is where it's built.

Build your cascade → apg.partners/tools/goal-cascade-builder · Start with a Commercial Assessment → apg.partners/commercial-assessment