

OKR KPI

- Objectives and Key Results is like a basket of things in that, it contains an Objective and 3 to 5 key results associated with that objective. Achieving the defined Key Results help to move towards realising your objective. KPI is a single indicator of performance. A collection of them could make up a scorecard.
- More often than not, KPIs are attainable and represent the output of a process or project already in place. On the other hand, OKR goals tend to be more aggressive and ambitious — without being unreachable.
- If a KPI result indicates a need for improvement, it may become the “key result” of a new or existing OKR. For instance, if KPI results indicate sales are flagging, a company might develop an ambitious OKR focused on improving overall profits, marketing, or customer service, all of which could include key results based on meeting the existing KPI.
- OKRs are typically set to bring incremental change (roofshots) or exponential change (moonshots). KPIs are typically put in place for incremental or steady state business. Ergo, KPIs are to maintain the business whereas OKRs are to bring change in business.
- OKRs generally contain a KPI or Metric along with a target (how much and by when?). OKRs contain Key Results that may be either Milestone Key Results or KPIs with Targets.

Objective	Key Result	KPI Factor
Grow Revenue & Profitability	Hire and onboard 2 key EVP positions this quarter	Not Associated with a KPI
	Increase Net Sales from \$500,000 to \$750,000 in Q1	Net Sales
	Improve Operating Margin by 20%	Operating Margin