



Stacey Barr

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CHECKLIST: The Criteria of Excellent Performance Measures

You shouldn't keep performance measures that are a waste of effort, and you shouldn't throw away performance measures that really are important for performance improvement. But how to make the distinction? Try using these criteria of excellent performance measures to evaluate your existing measures, and also new ideas for measures too.

The criteria of excellent performance measures

1. is easily **understood** by it's stakeholders, or can be clearly and simply explained to them
2. has a clear and direct (not blurry or vague) **'line of sight'** to a strategic goal or objective
3. is **simple** – not an abstract index of multiple measures
4. has an **owner** – someone that has taken on the responsibility of watching the measure, interpreting it & initiating any required actions in response to its trends
5. has at least one **strong link** to at least one other measure in the organisational measurement system, such as a causal relationship or companion relationship
6. is **objective evidence** of the degree to which an important result or outcome is occurring
7. provides regular feedback **over time** i.e. it is not an action or event or milestone to be reached
8. is **cost effective** to measure – the potential value from using it (e.g. savings) will likely be greater than the cost to report it
9. drives 'performance improving' **behaviour**, as opposed to behaviours geared towards fudging the figures or shifting the goal posts
10. is used and valued in **decision making** – and isn't just padding for the KPI column in the business plan
11. has no known and unmanageable **unintended consequences** i.e. if the result or outcome it is measuring improves, it doesn't cause another result or outcome to get worse
12. is fully **defined** – has a functional specification detailing its meaning, intent, relationships to other measures, calculation, data requirements, reporting requirements and ownership

Evaluate your existing performance measures using the checklist

Over the page is a table where you can list your existing performance measures and evaluate each of them against the criteria of excellent performance measures.

Any measure not satisfying *all* of the following criteria is a candidate for review: modify it, delete it or put it on the back burner for another time. Tick off those criteria each measure satisfies.

About Stacey...

Stacey helps people get tangibly clear about the results they intend to achieve in their business or organisation, and to know if and how well they are achieving those results. She does this by challenging many of the bad habits people don't realise they have with performance measurement, and replacing those bad habits with proven practices that are easy, fast and engaging. These practices form the PuMP® methodology.

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