Performance Management Glossary

### How to use this glossary:

This Glossary is not the truth. It’s a draft, and it will evolve over time. But it’s a start if you want to develop a glossary of performance management terms for your organisation. They might come from other methods like Balanced Scorecard or OKRs, or they might be legacy terms from your organisation’s past.

Read through it and note the terms and definitions we use in PuMP. Then list against those related terms you use in your organisation, that have closely the same definition.

### Suggested reading:

* Dealing With the KPI Terminology Problem: <https://www.staceybarr.com/measure-up/dealing-with-the-kpi-terminology-problem/>
* The 4 Things More Important Than the KPI Terminology Debate: <https://www.staceybarr.com/measure-up/question-4-things-more-important-than-the-kpi-terminology-debate/>
* How to Create a KPI Terminology: <https://www.staceybarr.com/measure-up/how-to-create-a-kpi-terminology/>
* What Are KPIs and Performance Measures? <https://www.staceybarr.com/measure-up/kpis-performance-measures/>

| PuMP Term As used in the PuMP methodology. | Our Term Where it varies from the PuMP term. | Definition Terms in Capitalised Italics are defined elsewhere in the glossary. |
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| Accountability |  | Responsibility for routinely monitoring the important Performance Results, validly interpreting the Performance Measures of those results, and initiating action, only ever when action is required to improve Performance and reach Targets. |
| Baseline |  | The current level of Performance, expressed quantitatively, for a Performance Measure, and based on the Central Line in an XmR chart. Used to calculate a Performance Gap. |
| Benchmark |  | As a number: A level of Performance achieved by an organisation, for a specific Performance Measure, which is used for comparison between or among organisations.  As a process: To learn from other organisations how they achieve higher levels of Performance in similar Performance Measures. |
| Business Process |  | A series of activities that flow together in a logical and time-based order, that an organisation has designed to produce one or more Outputs and Outcomes for a “customer”. |
| Change Initiative |  | A project or plan of work that is designed to directly contribute to closing a Performance Gap between a Performance Measure of a specific Goal and its Target. Also see Strategic Initiative. |
| CSF, Critical Success Factor |  | See Strategic Theme |
| Goal |  | A statement that describes a desired changed level of Performance in a specific area. |
| KPI, Key Performance Indicator |  | Used interchangeably with Performance Measure, due to the widely varying definitions of what it is. |
| KRA, Key Result Area |  | See Strategic Theme |
| KRI, Key Result Indicator |  | Used interchangeably with Performance Measure, due to the widely varying definitions of what it is. |
| Lag Indicator |  | A Performance Measure that monitors the historic behaviour of a Performance Result. |
| Lead Indicator |  | A Performance Measure that monitors a predictive Performance Result which informs action to be taken before a Lag Indicator is affected. |
| Measurable |  | Clear and specific enough to easily find the best evidence to directly measure, as in “measurable Goal”. See also Performance Result. |
| Milestone |  | A statement of an action to be completed or an Output to be created by a specific date. |
| Mission |  | A statement that describes the purpose of the organisation, what it provides and for which customers. |
| Objective |  | Used interchangeably with Goal, due to the widely varying definitions of what it is. |
| Operational Goal |  | A type of Goal that is owned by a function, process or business unit within the organisation. |
| Outcome |  | The ultimate impact felt by the “customer” of a Business Process or service. |
| Output |  | The tangible products delivered by a Business Process or service, which will be used by the “customer” to achieve their desired Outcome. |
| Performance |  | How well something works, relative to how well it should work, with a focus on impact rather than action. |
| Performance Dashboard |  | A digital and summarised version of a Performance Report, that allows for quick scanning of Performance Gaps for a logical or related set of Goals. |
| Performance Gap |  | The quantitative difference between the current level of performance of a Performance Measure and its Target. |
| Performance Indicator |  | Used interchangeably with Performance Measure, due to the widely varying definitions of what it is. |
| Performance Management |  | The process of managing performance within and of the organisation, including setting Performance Measures, implementing them, reporting them, interpreting them, and using them to continually improve Performance. |
| Performance Measure |  | A quantification that provides objective evidence of the degree to which a Performance Result is occurring over time. |
| Performance Metric |  | Used interchangeably with Performance Measure, due to the widely varying definitions of what it is. |
| Performance Report |  | A paper-based or digital compilation of information that monitors Performance relative to a logical or related set of Goals, and specifically focuses on Performance Gaps, cause analysis of those gaps, and recommendations for closing those gaps. |
| Performance Result |  | A statement that describes a Goal in a results-oriented, non-weasely, single-focused and Measurable way. Often grammatically stated as though it is already a fact in the present. |
| Qualitative measure |  | Truly qualitative Performance Measures don’t exist. Qualitative data is based on non-numeric data, and that’s usually in the form of words. This term is often used to mean Performance Measure that is based on ratings or other forms of discrete data. |
| Quantitative measure |  | A Performance Measure based on numbers, where those numbers are gauging the size or amount of the Performance Result being measured. These numbers can be discrete counts or continuous values that include decimals. |
| Standards |  | A kind of Target which has been promised by the organisation as part of its service, or which has been imposed in a regulatory context. |
| Strategic Direction |  | A description of how and in what areas an organisation will change its Performance, including Vision, Mission, Strategic Themes, Strategic Goals, Performance Measures, Targets, and Strategic Initiatives. |
| Strategic Goal |  | A Goal that is set at the highest levels in an organisation, as part of the corporate strategy or Strategic Direction. |
| Strategic Initiative |  | A specific Change Initiative that is chosen to directly contribute to closing a Performance Gap between a Performance Measure of a Strategic Goal and its Target. |
| Strategic Plan |  | A written documentation of the Strategic Themes, Goals, Performance Measures, Targets, and Strategic Initiatives that are chosen to implement a specific Strategy. |
| Strategic Theme |  | A statement that is concise, often written broadly, to label one of several focus areas for a Strategy, under which there maybe be one or more Strategic Goals. |
| Strategy |  | A set of choices about where an organisation wants to position itself in the future, usually at higher levels of Performance. It is the overarching direction from which the Strategic Plan is developed. |
| Target |  | A quantitative value that represents the level of desired Performance for a Performance Measure, coupled with the date by which that level will ideally (or realistically) be reached. |
| Vision |  | A statement that describes the ideal and aspirational impact that an organisation wants to make in its part of the world. |