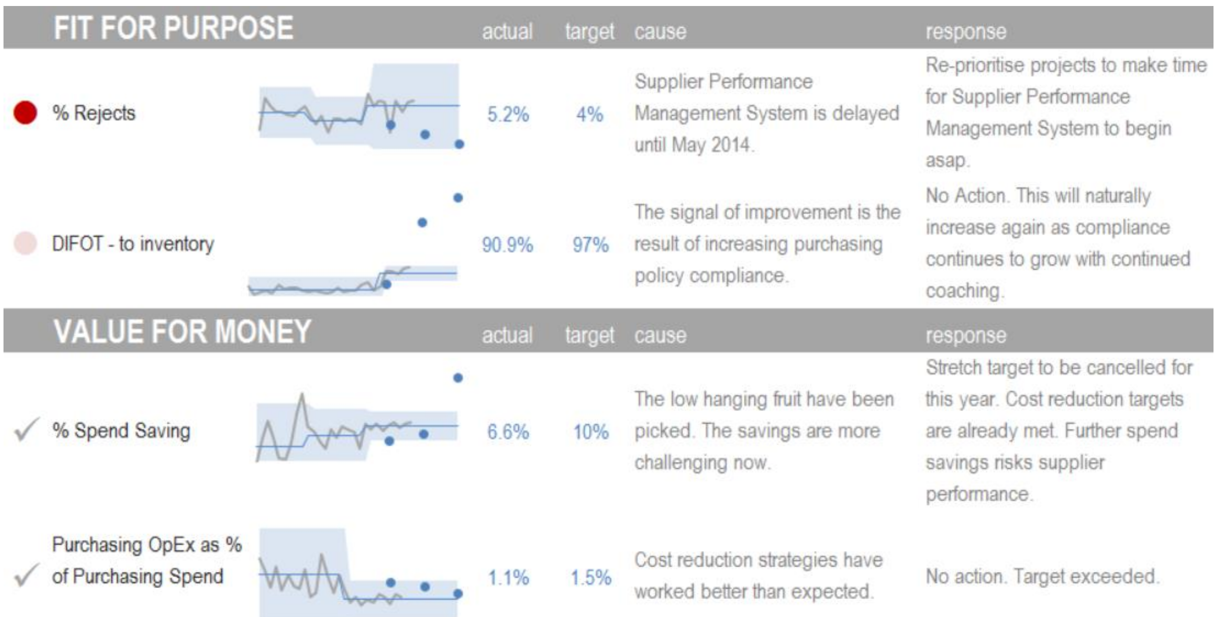
PUMP

SUMMARY PAGE

PuMP Step 7: Performance Report Design



FIT FOR PURPOSE	actual	target	cause	response
% Rejects	5.2%	4%	Supplier Performance Management System is delayed until May 2014.	Re-prioritise projects to make time for Supplier Performance Management System to begin asap.
DIFOT - to inventory	90.9%	97%	The signal of improvement is the result of increasing purchasing policy compliance.	No Action. This will naturally increase again as compliance continues to grow with continued coaching.
VALUE FOR MONEY	**actual**	**target**	**cause**	**response**
% Spend Saving	6.6%	10%	The low hanging fruit have been picked. The savings are more challenging now.	Stretch target to be cancelled for this year. Cost reduction targets are already met. Further spend savings risks supplier performance.
Purchasing OpEx as % of Purchasing Spend	1.1%	1.5%	Cost reduction strategies have worked better than expected.	No action. Target exceeded.

Step 7.1: Structure to strategy

- ☐ the headings are consciously chosen to align with business plan goals or objectives or priorities
- ☐ the report logically "hangs together": with each layer of headings as a natural cluster (e.g. major headings relate to the business goals and sub headings relate to the strategies chosen to reach the goals)
- ☐ the contents page is designed around the chosen headings and logical layers of the report structure to make it easy to navigate and prioritise attention

Step 7.2: Answer what? why? now what?

- ☐ performance measures are consciously chosen to answer a set of questions specific to the focus of the report: what questions should this report answer?
- ☐ the report encourages valid interpretation of the performance measures (e.g. a paragraph devoted to interpreting the graph's story in everyday language)

- ☐ the report encourages the audience to enquire and learn rather than blame (e.g. by providing information about the causes of changes or levels in performance)
- ☐ the report encourages its audience to take action to improve performance (e.g. by translating performance results and causes into implication for the business)
- ☐ any supplementary information included in the report assists the audience in interpreting performance or in choosing appropriate ways to respond to it
- ☐ each performance measure is "owned" by at least one member of the report's audience

Step 7.3: Use graphs that signal

- ☐ each graph is based on a performance measure that is capable of answering a specific question related to the purpose of the report
- ☐ each graph contains enough information to answer the specific question(s) it was intended to answer (e.g. title, axis labels, legends, footnotes)
- ☐ each performance measure is presented using a chart type that is appropriate for that type of measure:
    - for comparisons of a performance measure over time, use a line chart or statistical process control chart
    - for comparisons of a performance measure by some classifier (like region or customer segment or age group), use a vertical bar chart
    - for comparisons of various causes or reasons by their impact on a performance result, use a Pareto chart or horizontal bar chart with the bars ordered by size from largest to smallest
- ☐ each graph preserves the integrity of the data and does not distort the data in any way
- ☐ comparisons are kept in true visual proportion by using the whole logical range of the vertical axis
- ☐ trend lines that have low statistical reliability (R^2) are not included on the chart
- ☐ each graph is kept simple and uncluttered, showing only the information required to answer the driving question(s)
- ☐ no gridlines, no data labels, no 3-D, maximum of 3 measures on a chart (ideally only 1)
- ☐ each graph is formatted using visual principles that make it easy on the eye and follows a general standard so that all graphs of the same type are presented the same way and therefore make interpretation and comparison more reliable (e.g. avoiding colour if black and white printing is likely, avoiding patterns as fills which seem to send you cross-eyed)

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Step 7.4: Design to engage

- ☐ the layout assists the audience in finding specific information they are looking for (e.g. headings are always at the top of the page, footers contain the page number, paragraphs are separated with adequate white space)
- ☐ different elements of the report are placed in a logical manner on the page, so it is easy to see, for example, which list of causes of performance changes relates to which performance measure graph
- ☐ the layout makes the report easy to physically handle (e.g. if members of the audience have to sift through a folder full of reports, then single-sided printing in landscape may be better than double-sided printing on portrait)
- ☐ the report uses text, paragraph and table styles to make it easy for the audience to understand the structure and content of the report (e.g. by contrasting major headings from minor headings using font size)
- ☐ the range of text, paragraph and table styles used within a report are kept simple and few: and are used consistently throughout the entire report (e.g. if a square bullet is used for formatting the paragraph about causes of performance changes, then that same bullet should be used for all paragraphs about causes of performance changes)
- ☐ the relative priority of performance results are visually flagged to speed up interpretation (e.g. adverse trends are made to stand out more by using a big red cross next to the graph or paragraph that interprets them, whereas a big green tick might accompany a positive trend)
- ☐ formatting standards for reporting performance are adopted organisation wide to reduce confusion in how to interpret and use performance reports

Step 7.5: Automate

- ☐ the reporting process is streamlined and automated to allow analysts to spend the majority of time on analysing data and looking for insights that will inform action, and not collating and cleaning data
- ☐ the chosen medium for the report is cost-effective (e.g. the time, money and effort invested in producing the report is easily offset by the savings that result from using it)
- ☐ the performance report can be produced quickly enough to deliver the required information about strategy execution and progress in the required time frame
- ☐ the report is easily accessible to all members of its audience
- ☐ confidentiality, where required, is reliably maintained