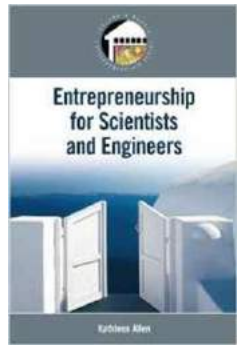
Hello and Welcome !

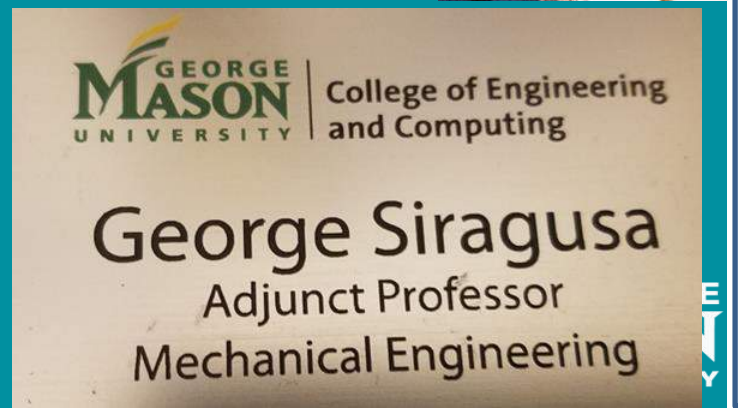
Please call me…

"Coach S."



"Building your Business Performance Dashboard Metrics

[Mason SBDC Workshop - Building your Business Performance Dashboard Metrics - June 7th, 2023 - YouTube]



Senior Business Adviser SBDC
Growth Wheel Int'l Cert. Biz Adviser

Adjunct Professor @
GMU's School of Engineering

Mentor @ 3 NoVA Tech Accelerators;
Entrepreneur, Investor
Co-Founder Marketing Strategy Firm

Former Executive, ExxonMobil;
Retired U.S. Navy Captain;
BS Engineering U. S. Naval Academy
Masters CMU +
Kellogg, Thunderbird, Process GBelt

Hello Startup Companies!

Hello new Venture Companies !

Hello Mature Businesses!

AMERICA'S SBDC VIRGINIA MASON

Fortune 5 Executive;
C-Suite Business,
Strategy, Financials,
Process Disciplines

Fusing together "street-wise" startup culture with the perspectives of process disciplines and proven leadership

Small Business Co-Founder;
Lean Start-up Principles;
Coaching/Mentoring for > 200 businesses

Small Business → Big Business

https://www.linkedin.com/in/georgesiragusa/

INLINE MARKETING PARTNERS

Innovation & Entrepreneurship

GEORGE MASON UNIVERSITY
Mason Enterprise Center

STARTUP MENTORING

Unique Blend of Diverse, Relevant Perspectives

CMU CENTRAL MICHIGAN UNIVERSITY

Kellogg School of Management

THUNDERBIRD SCHOOL OF GLOBAL MANAGEMENT

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- **Essential Qualities of Executive Leadership**

U.S. Naval Academy

United States Atlantic Fleet

Introduction to the Americas **S**mall **B**usiness **D**evelopment **C**enters

- over 1000 Centers Nation-Wide
- 27 Virginia SBDC Centers

Visit https://americassbdc.org/

POWERED BY SBA

U.S. Small Business Administration

[Find Your SBDC - America's SBDC (americassbdc.org)](https://americassbdc.org/)

Examples of Mason SBDC Services-at-a-Glance

Mason Small Business Development Center

Serving:

- Fairfax, Arlington, Prince William Counties

Guidance: to turn your ideas into an enterprise

Aim: positively impact our regional economy!

Open with

Workers Quit Jobs in Droves To Become Their Own Bosses

Seeking flexibility, employees are discovering their inner entrepreneur

By Josh Mitchell and Kathryn Dill

The pandemic has unleashed a historic burst in entrepreneurship and self-employment. Hundreds of thousands of Americans are striking out on their own as consultants, retailers and small-business owners.

The move helps explain the ongoing shake-up in the world of work, with more people looking for flexibility, anxious about covid exposure, upset about vaccine mandates or simply disenchanted with pre-pandemic office life. It is also aggravating labor shortages in some industries and adding pressure on companies to revamp their employment policies.

The number of unincorporated self-employed workers has risen by 500,000 since the start of the pandemic, Labor Department data show, to 9.44 million. That is the highest total since the financial-crisis year 2008, except for this summer.

The total amounts to an increase of 6% in the self-employed, while the overall U.S. employment total remains nearly 3% lower than before the pandemic.

Entrepreneurs applied for federal tax-identification numbers to register 4.54 million new businesses from January through October this year, up 56% from the same period of 2019, Census Bureau data show.

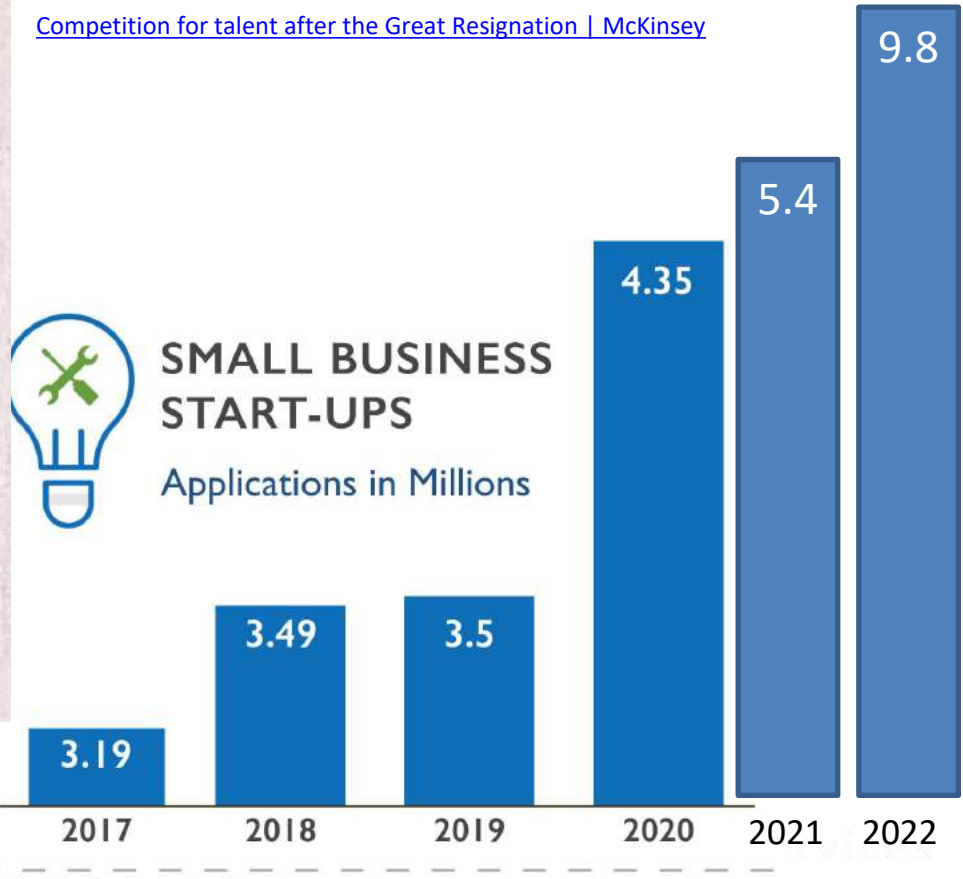
That was the largest number on records that date back to 2004. Two-thirds were for businesses that aren't expected to hire employees.

Please turn to page A14

[40% of workers are considering quitting jobs soon—where they're going (cnbc.com)](#)

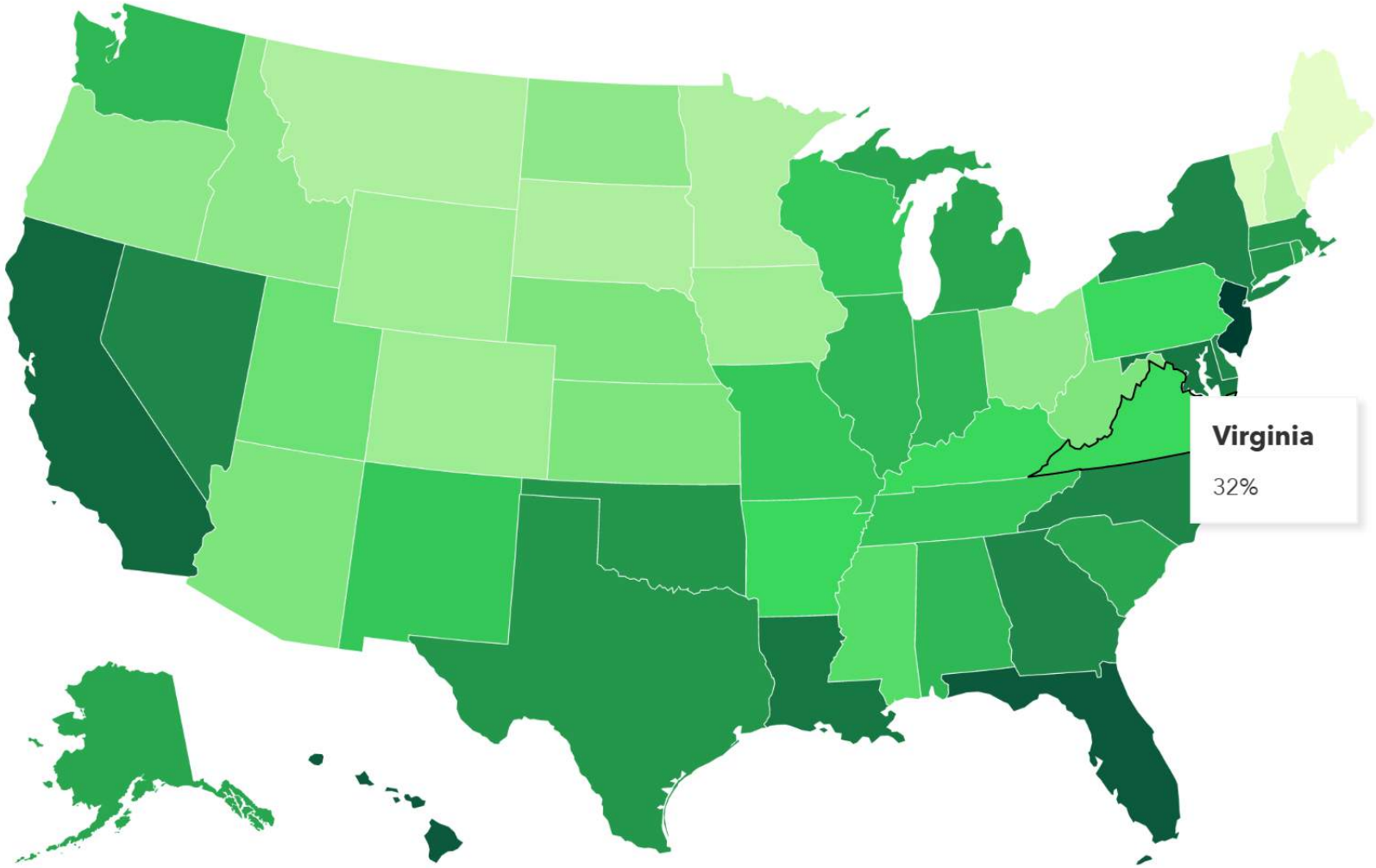
Among people who quit work without a new job in hand, close to half (47%) chose to return to the workforce — but only 29% went back to a traditional, full-time job. ***18% of people*** either found a new role with reduced hours through temporary, gig or part-time work ***or decided to start their own business.*** Over the course of the pandemic, ***new business applications grew*** by more than 30%, with almost 10 million new applications in 2022!

[Competition for talent after the Great Resignation | McKinsey](#)



Proportion of adults in each state who say they want to start new businesses in 2023

22% — 42%



Sample: 15,200 US adults age 18+

Source: Online survey commissioned by Intuit QuickBooks in December 2022 • Get the data • Embed

intuit quickbooks

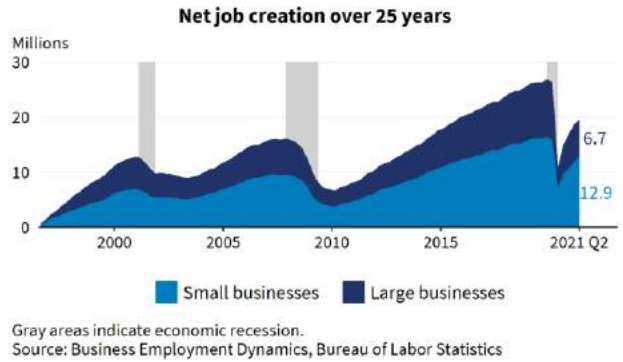
[New Business Insights: Side-hustle surge predicted in 2023 - Article (intuit.com)]

2022 Full Year!

10 MILLION+
NEW SMALL BUSINESS APPLICATIONS

Source: WH.gov

Small businesses have accounted for 2 out of every 3 jobs added in the past 25 years



Small businesses create majority of employment growth

Large businesses, those with 500 or more employees, also had big employment declines during the recession. However, their recovery was more limited. During the first two quarters of 2020, employment by large businesses fell by 6.8 million. In the four quarters following the recession, employment by large businesses rose by 3.1 million, offsetting 46 percent of the decline. Despite the jobs lost during the recession, large businesses generated 6.7 million net new jobs over the past 25 years. During the same period, small businesses generated 12.9 million net new jobs, meaning small businesses have accounted for 66 percent of employment growth over the last 25 years.

SBDC Services / Economic Impact

- One-on-one confidential business counseling
- Small group training seminars
- Conferences, workshops, seminar series (like today)
- Resource referral to local, state, federal and private sources

JOBS

SALES GROWTH

CAPITAL INVESTMENT

NEW BUSINESS STARTS

Metrics

MASON SBDC SCORECARD

2022 - YEAR TO DATE

JOBS CREATED

610

CAPITAL FORMATION

$ 26,767,397

BUSINESS STARTS

32

UNIQUE CUSTOMERS

1,691

AMERICA'S SBDC VIRGINIA MASON

Mason SBDC Webinars

https://masonsbdc.org/workshops/

- Legal & Admin Steps to Starting a Business
- Value Proposition Design
- Developing your Business Plan Briefing
- Small Business Financing
- Marketing 101
- Government Contracting 101
- Digital Marketing – SEO and Social Setting
- Accounting and Financial Management
- ***Guide to Building your Business Performance Metrics***
- Business Operations – Taxes, HR, Legal, Real Estate
- Small Business Cyber Security

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ASBDC National Impact Survey

- 22.53% response rate (national average 13.45%)

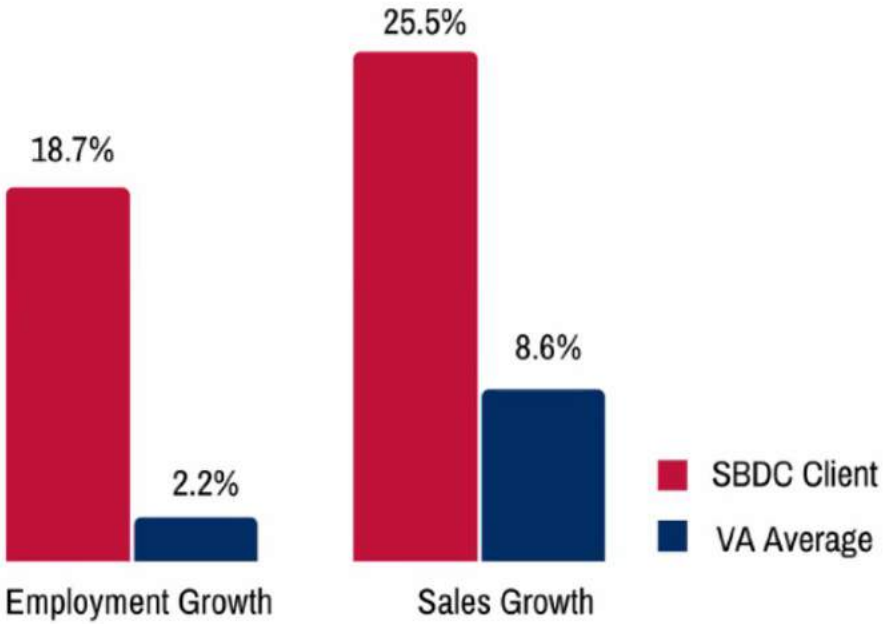
Virginia SBDC client businesses

GROW *faster*

and

CREATE *more jobs*

than the average Virginia business



In Summary…Mason SBDC can offer:

- Perspectives / Coaching / Advising
- Resources
- Education
- Access to Capital
- Mentorship
- Guidance along your Journey!

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Seeking our ***NO-COST*** Business Assistance?

Mason SBDC
10306 Eaton Place
Suite 180
Fairfax, VA 22030
(703) 261-4105

George Siragusa
Senior Business Adviser

https://www.linkedin.com/in/georgesiragusa/

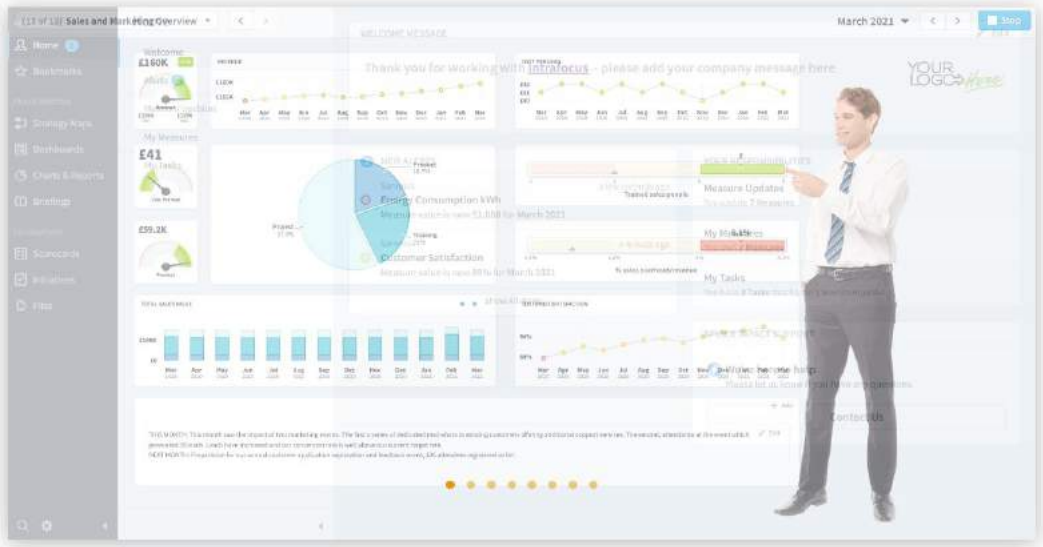
Our Website:

www.masonsbdc.org

- **Resources:** https://www.virginiasbd.org/
- **Contacts**: help@masonsbdc.org or (703) 261-4105
- **1:1 Counseling:** https://clients.virginiasbdc.org/reg.aspx?mode=counsel&center=46110&subloc
- **Workshops:** https://masonsbdc.org/workshops/

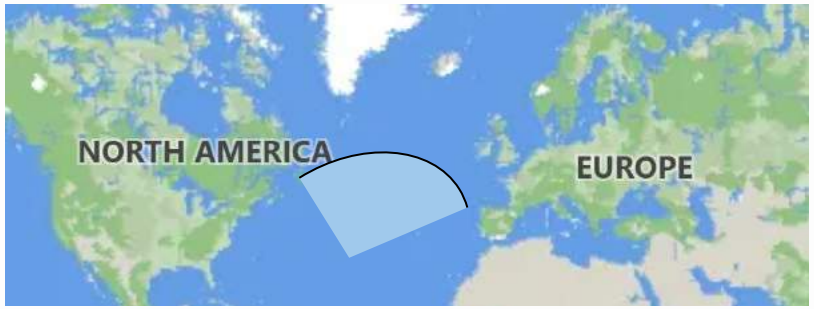
Performance Management:
Building Your Business Dashboard

Monitor asuite of business performance metrics, distil data, “mine” for insights, take actions, improve your business !

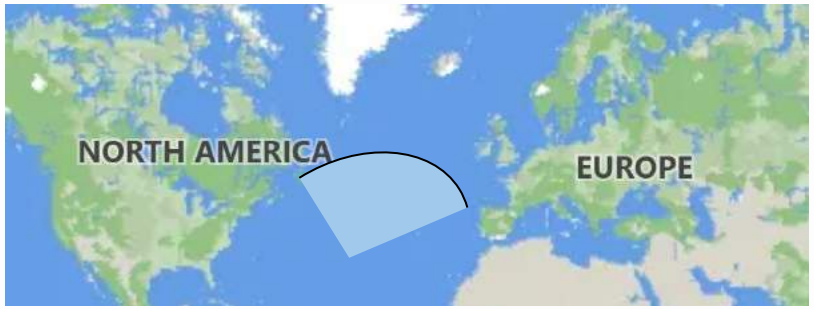


Collect data. Understand insights. Take action.

A Dashboard "Sea Story" Analogy

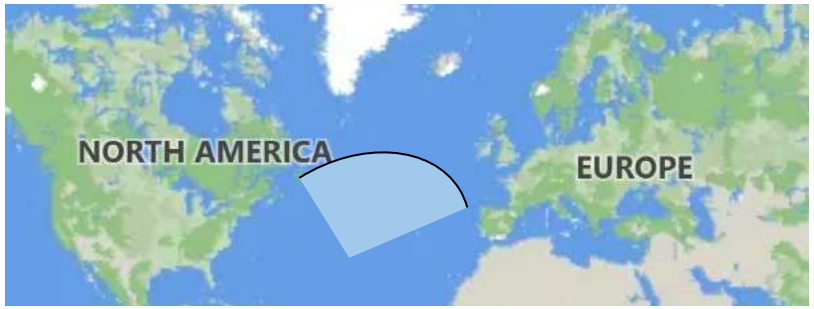


A Dashboard "Sea Story" Analogy



- **Plan your Route**
- Identify, Monitor Core Functions
- Track along your course
- Monitor/Assess/Adjust Course
- Understand Impacts of External environmental Forces
- Monitor/Assess/Adjust Course

A Dashboard "Sea Story" Analogy



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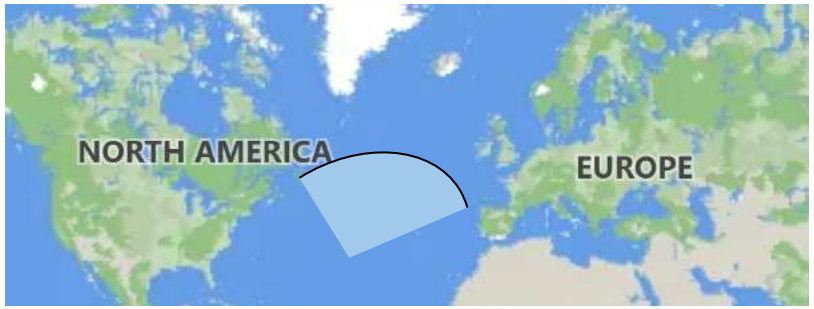

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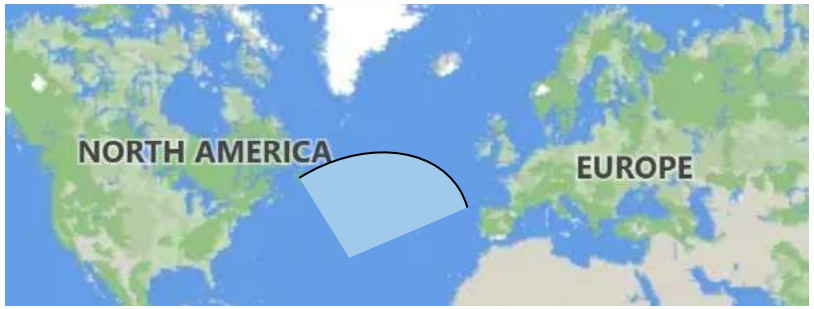

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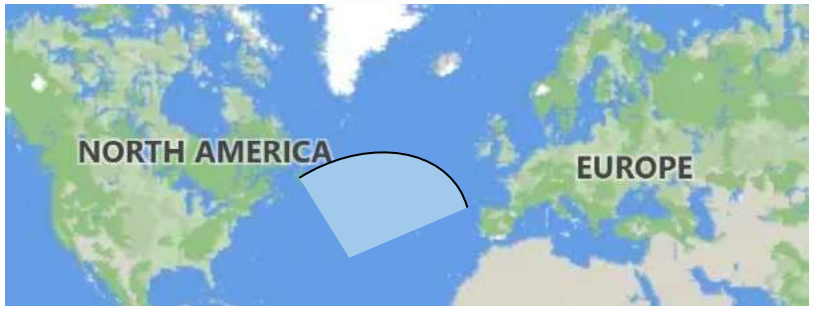
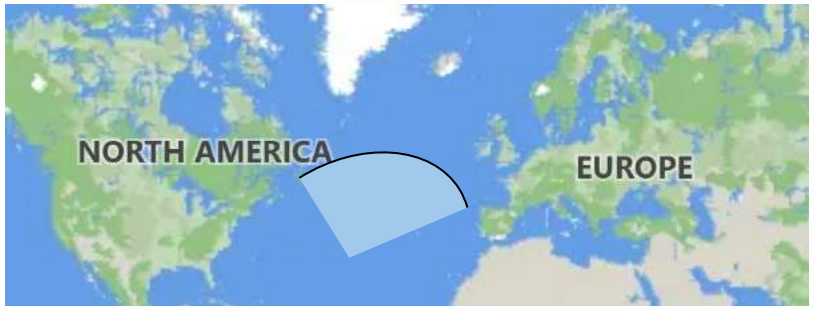


- **Plan your Route**
- **Identify, Monitor Core Operational Functions**
- **Track Along your Course**
- **Monitor/Assess/Adjust Course**
- **Understand Impacts of External Forces**
- Monitor/Assess/Adjust Course

A Dashboard "Sea Story" Analogy



- Plan your Route
- Identify, Monitor Core Functions
- Track Along your course
- Monitor/Assess/Adjust Course
- Understand Impacts of External environmental Forces
- **Monitor/Assess/Adjust Course; then arrive at destination**

Today's Webinar Learning Objectives:

Upon Completion of this webinar you will become familiar with answers to these questions:

Source: Staci Bullard LBL STRATEGIES look before you leap

Home - Strategy Implementation Institute

Summary of Today's Webinar Learning Objectives:

Identify strategy objectives

Identify and create measures for tracking strategy objectives and prioritizing actions

Source: Staci Bullard LBL STRATEGIES look before you leap

Home - Strategy Implementation Institute

Summary of Today's Webinar Learning Objectives:

Identify strategy objectives

Identify and create measures for tracking strategy objectives and prioritizing actions

Develop discipline of using scorecard to run the business

Set divisional / department scorecards

Source: Staci Bullard LBL STRATEGIES look before you leap

Home - Strategy Implementation Institute

Summary of Today's Webinar Learning Objectives:

Identify strategy objectives Identify and create measures for tracking strategy objectives and prioritizing actions	Develop discipline of using scorecard to run the business Set divisional / department scorecards	Regularly track performance to manage the business Challenge assumptions made in original strategy	

Source: Staci Bullard LBL STRATEGIES look before you leap

Home - Strategy Implementation Institute

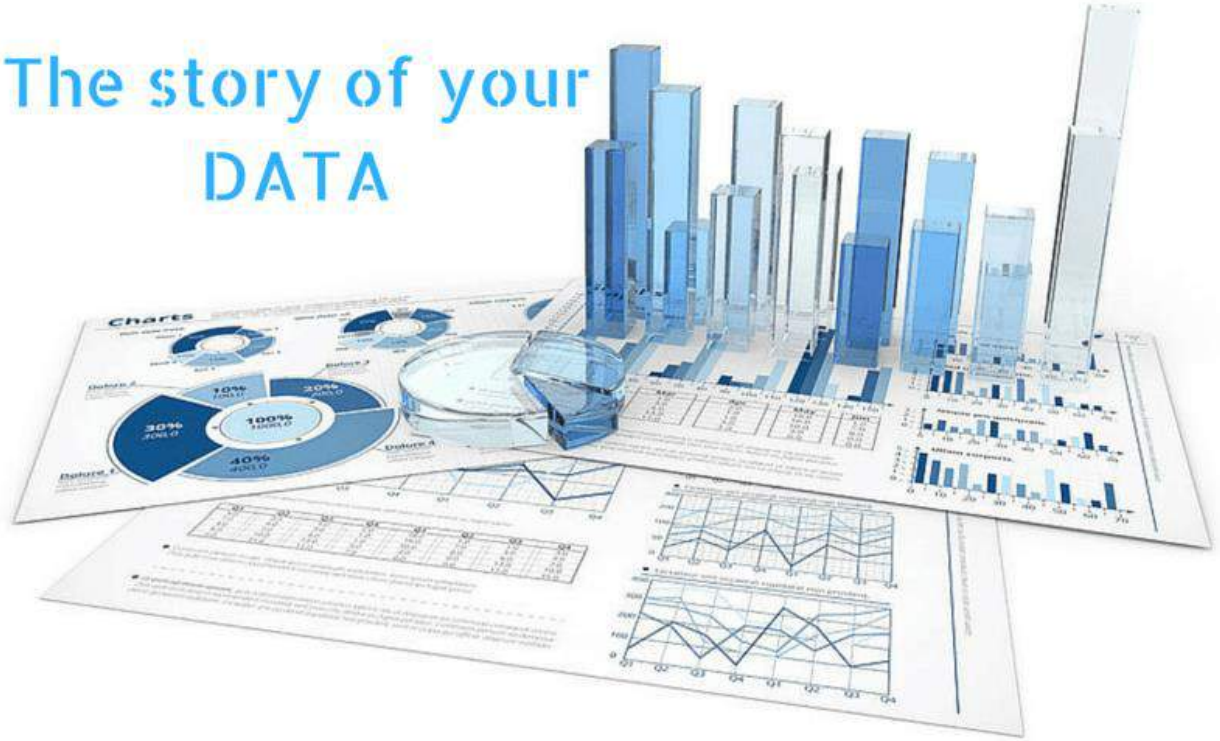
Summary of Today's Webinar Learning Objectives:

Identify strategy objectives Identify and create measures for tracking strategy objectives and prioritizing actions	Develop discipline of using scorecard to run the business Set divisional / department scorecards	Regularly track performance to manage the business Challenge assumptions made in original strategy	Revisit strategy objectives and measures Ensure reviews become part of the organization's culture

Today's Learning Objectives and Briefing Outline:

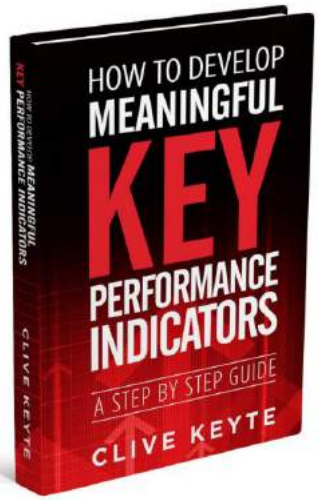
Upon Completion of this webinar ***you will become more familiar with:***

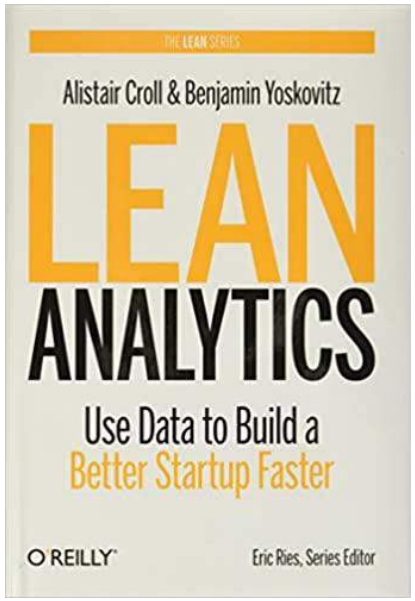
- What is the Common Language (and Shared Definitional Understanding) related to Metrics
- **What is a Business Management "Dashboard" or "Score Card**
- **What do these Dashboards look like**
- Why is a "Scorecard" or "Dashboard" important ; what are the benefits to business
- **Beside financials metrics, what other categories of key indicators are included on dashboards**
- **What guiding principles are useful to review before building a first draft business scorecard**
- What size businesses typically need Scorecards or Dashboards
- **How do we get started ; can small business owners build these themselves**
- **What metrics should we begin with on our first draft**
- What tools, software, or other resource are available that make developing scorecards easy
- **How do I use metrics with the business team; explain stewardship and reporting**
- How often do we need to update and review the dashboards with the team
- What insights can Dashboards provide
- **What type of actions can we take based on the dashboard metrics and insights to make a positive impact**
- How do I schedule an appointment to get help building a first draft of a business dashboard


The story of your
DATA
Charts

Prime References for this Webinar

HubSpot



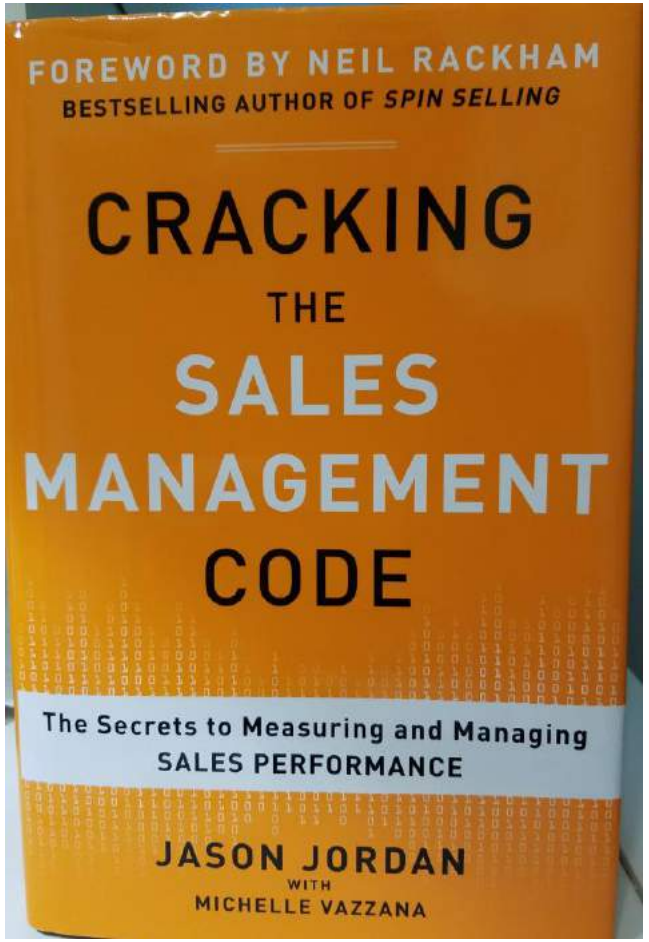


zendesk

LEARNING

Harvard Business Review

Yours Truly



Bernard Marr & Co.
Future • Business • Success

Businesses we have on the call today? Help me help you

- ?
- ?
- ?

Please respond to **3 survey polls** to get a sense of the mix of businesses represented:

- *Industries?*
- *Years in Business?*
- *Number of Employees?*

Participant Engagement!

Please go to Poll #1:

What is The Business (industry) you are in ?

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Participant Engagement!

Please go to Poll #2:

How many years have you been in Business?

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Participant Engagement!

Poll #3:

How many Full Time and or Part Time Employees do have you been in Business?

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“Coach S.” Friendly Workshop Challenge? :

…please consider applying

<u>just 1 tip</u>

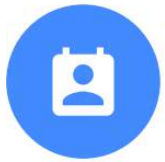
you may learn today

to your business – t*omorrow!*

Before we get started, let us ensure we speak with:

“Common Language”
+plus
“Shared Understanding”

Definitions or sometimes called “Terms of Reference”



Data: facts or statistics to reference

Analytics: patterns and trends

Insights: actionable value

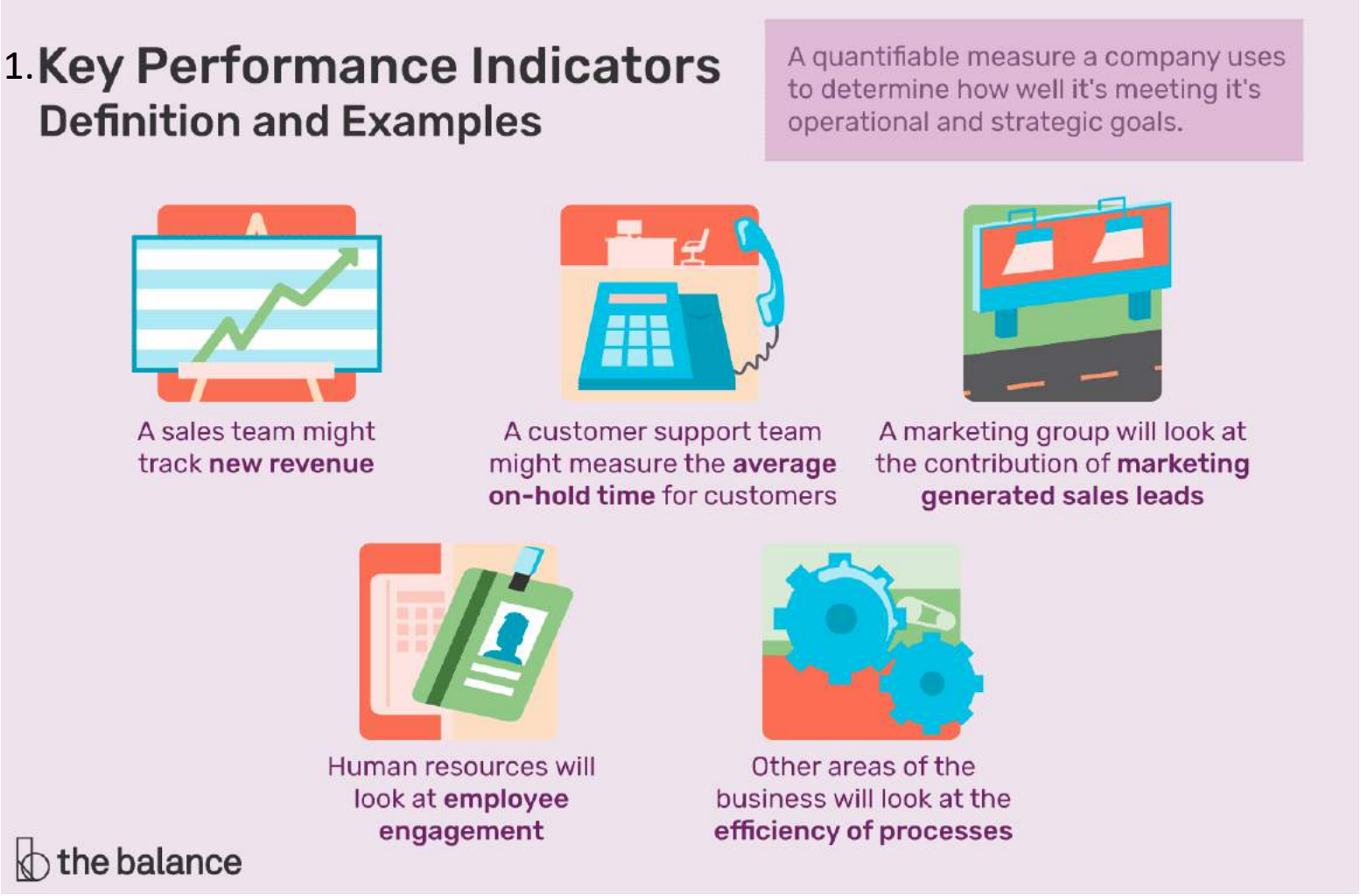
Use data to make business decisions rather than opinions or gut instincts.

“Common Language”
plus
“Shared Understanding”

Key Performance Indicators or KPIs

Leading vs Lagging Indicators

Stewardship vs. Reporting

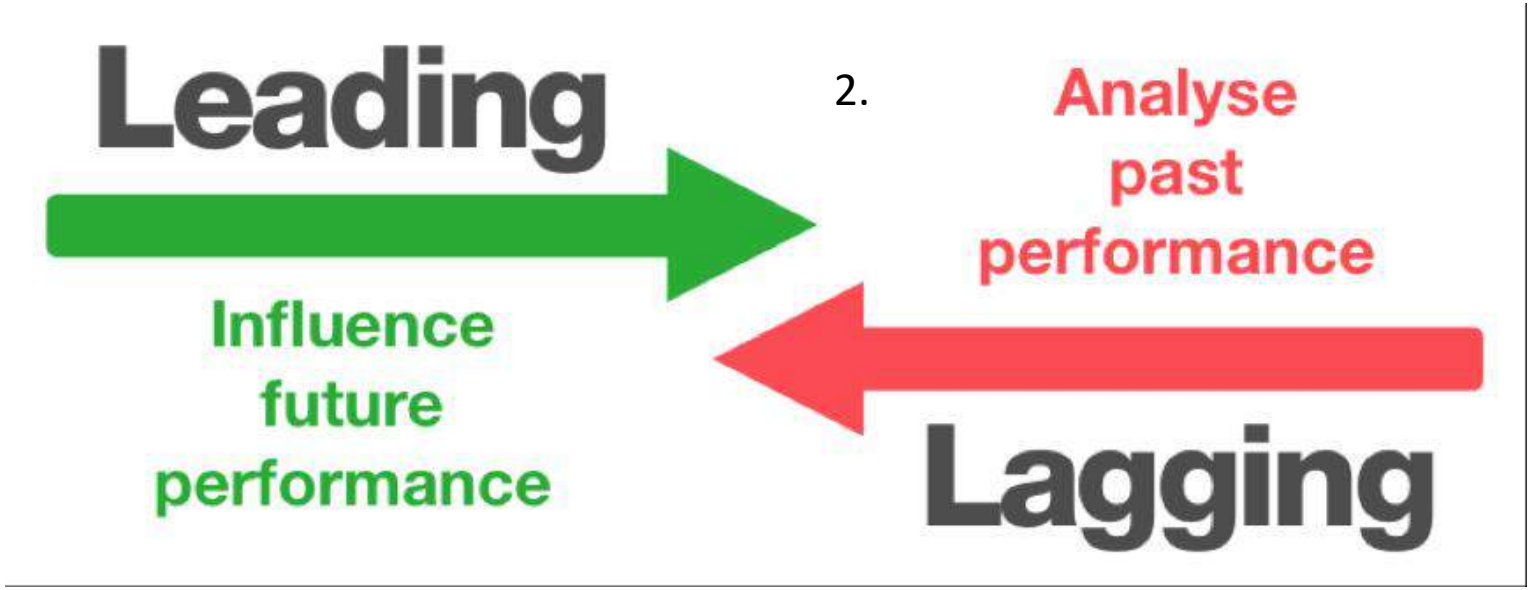


Key Performance Indicators (KPIs)

A Key Performance Indicator (KPI) is a measure for which the organization has data to quantify and evaluate results of a strategic objective.

Source: what is a lead indicator or kpi - Bing images

2.

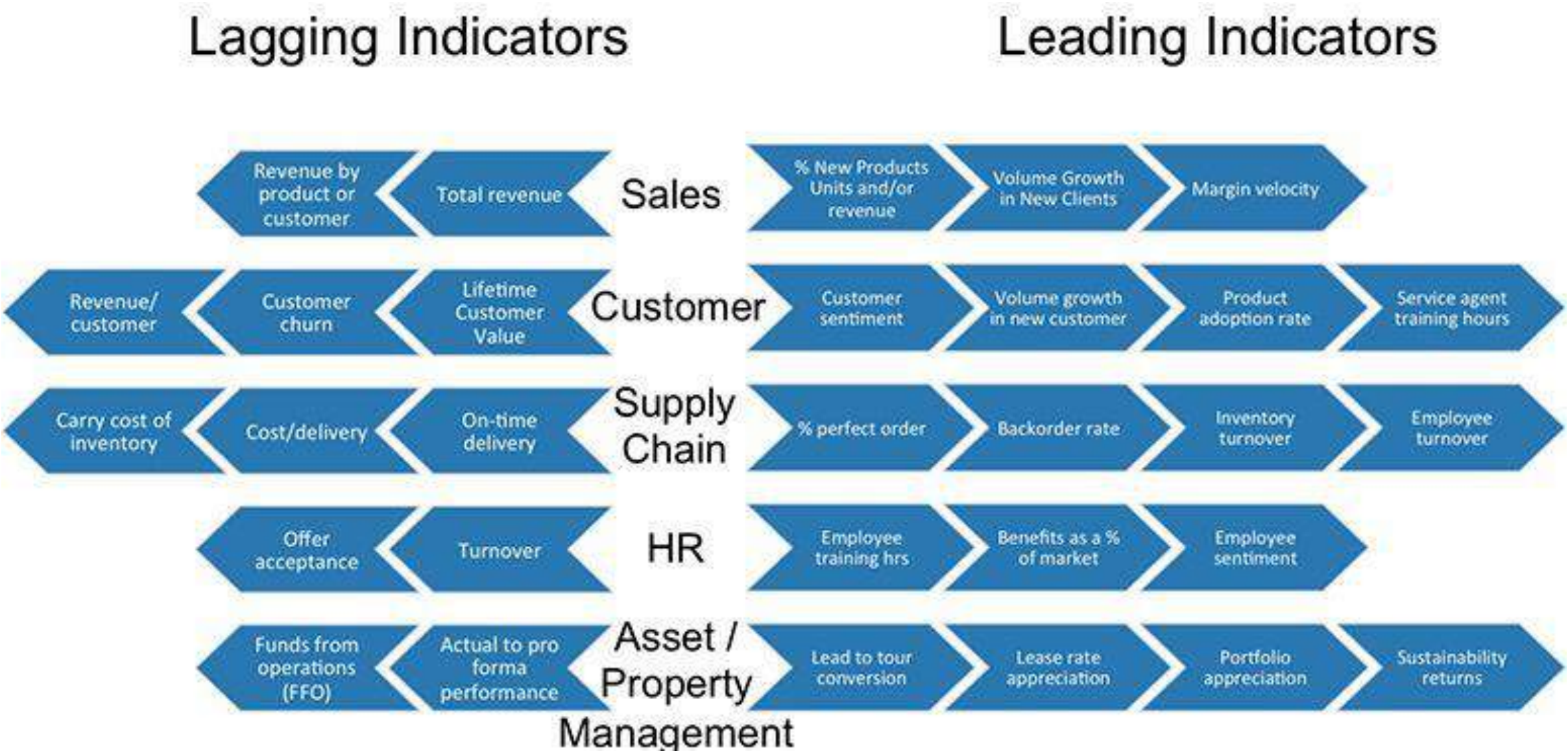


Example: You add 2 more products this year

Company	Leading Indicators
3M Corp	# of new innovations # of patents Customer Service perception
Dell Computer	Customer satisfaction Days of supply in inventory
Sprint	Customer satisfaction Brand recognition Volume growth of high-end clients
Coca-Cola	# of cases shipped Growth in new markets Brand growth

Example: Revenue (or new profit) associated with the sale of the 2 products added

Illustrative Examples to Reference



Talking about "Scorecards" implies 2 Sub-Processes:

1) "STEWARDSHIP"

2) "REPORTING"

[3]Talking about "Scorecards" implies 2 Sub-Processes:

1) "STEWARDSHIP"

Definition: ***a regular occurring process by which assigned Stakeholders capture and analyze empirical data comparisons, versus the "target" for a given period of time (i.e. week, month, year), using pre-determined (….spreadsheet or template).***

Process to Capture and Analyze Data Using a predetermined Format or Platform

[3]Talking about "Scorecards" implies 2 Sub-Processes:

2) "REPORTING"

Definition: ***a regular occurring process by which assigned Stakeholders obtain and then report out business progress, using the "dashboard" (template), offering insights and recommendations required to explain and manage areas of responsibility across the business, (i.e. sales, marketing, customer service, etc.).***

Recurring
Process to
Report out
Findings, Insights,
And Recommend Actions often in
the form of data visualization dashboard

[3]Talking about "Scorecards" implies 2 Sub-Processes:

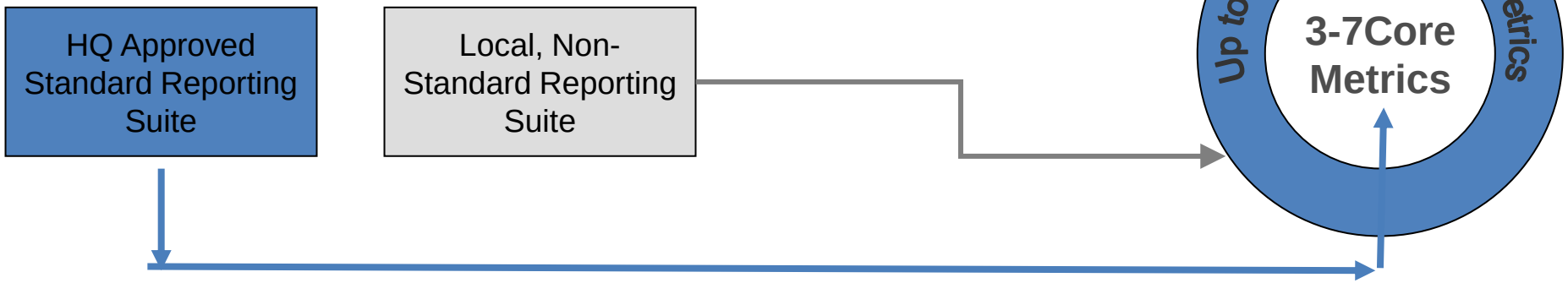
1) "STEWARDSHIP"

Definition: ***a regular occurring process by which assigned Stakeholders capture and analyze empirical data comparisons, versus the "target" for a given period of time (i.e. week, month, year), using pre-determined "dashboard" (….spreadsheet or template).***

2) "REPORTING"

Definition: ***a regular occurring process by which assigned Stakeholders obtain and then report out business progress, using the "dashboard" (template), offering insights and recommendations required to explain and manage areas of responsibility across the business, (i.e. sales, marketing, customer service, etc.).***

In early stage companies these 2 processes are often done by the same stakeholder(s)



Participant Engagement!

Pause: Questions thus far ?

A ***business dashboard*** is an information management tool that is used to display KPIs, metrics, and other key data points relevant to a business, department, or specific process in a simplified and easily digestible way.

"A well designed dashboard report is a remarkable information management tool"

Think “Dashboard = Scorecard” in our Business Context

A **business dashboard** is an information management tool that is used to track KPIs, metrics, and other key data points relevant to a business, department, or specific process.

"A well designed dashboard report is a remarkable information management tool"

Business dashboards take their name from ***automobile dashboards***; in fact, when you think about it, business dashboards are used in much the same way as automobile dashboards.

Under the hood of your vehicle, there may be hundreds of processes that impact the performance of your vehicle.

Your dashboard summarizes vehicle functions using data visualizations so you have the peace of mind to concentrate on safely operating your vehicle…
(…or your business performance !)

What is the History of the Business Management "Dash Board" or "Scorecard"?

What is its revelance to Business Performance Management?

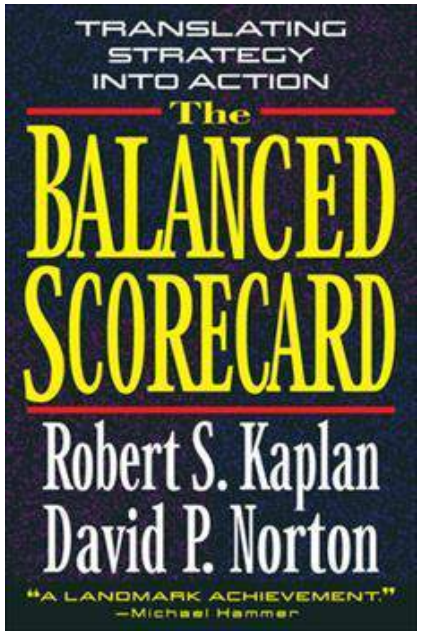
Sources:

The Balanced Scorecard - Harvard Business Review - YouTube

Balanced Scorecard Animation - YouTube

What is a Balanced Scorecard: A Simple Explanation For Anyone - YouTube

Historical Context and Concept



1996 !

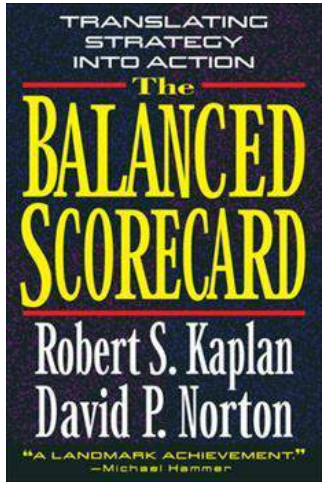
[Balanced Scorecard - What is the Balanced Scorecard? (intrafocus.com)]

"Managers can create a balanced scorecard by translating their company's strategy and mission statements into specific goals and measures."

Approach & Key Findings:

- 1 yr. of Research : 12 Companies Interviewed
- outcome was a *"dashboard framework"*
- *metrics **were not** solely financial measures*
  - *4 measures* linked by metrics:
    - **financial measures** (Revenue, all Operating Expenses, Margin
    - PLUS ++ 3 operational measures :
      - **customer satisfaction**
      - **internal processes**
      - **organization's ability to learn and improve**

[Balanced Scorecard - What is the Balanced Scorecard? (intrafocus.com)]



Begin by Linking Measurements to Strategy

Illustrative only

What is My Vision of the Future?

Statement of Vision

1. Definition of SBU
2. Mission Statement
3. Vision Statement

If My Vision Succeeds, How Will I Differ?

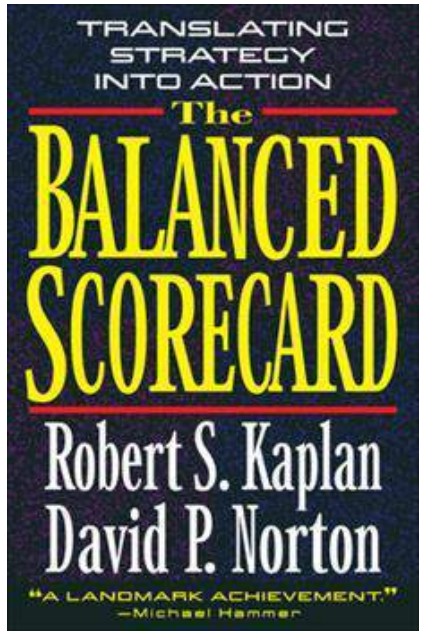
To My Shareholders	To My Customers	With My Internal Management Processes	With My Ability to Innovate and Grow
Financial Perspective	Customer Perspective	Internal Perspective	Innovation and Learning

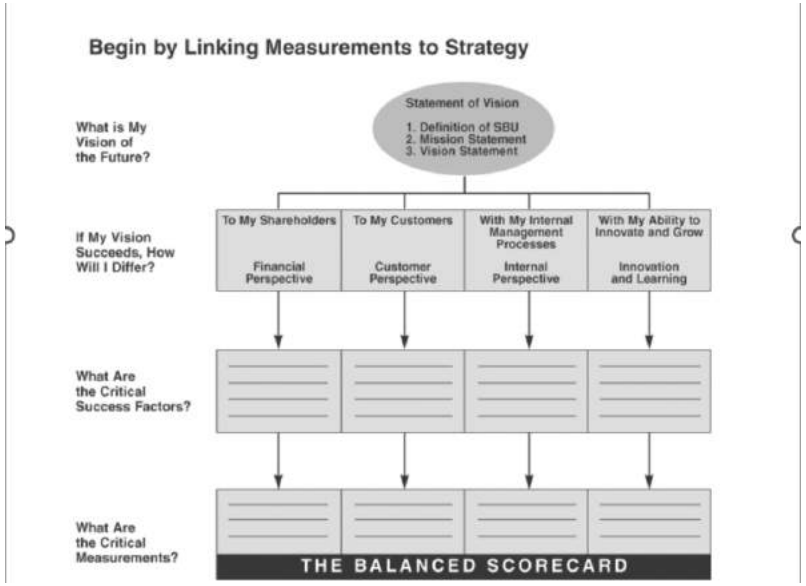
What Are the Critical Success Factors?

What Are the Critical Measurements?

THE BALANCED SCORECARD

Link Specific Relevant Measurements to your Strategy





Illustrative only

The Vision

"As our customers' preferred provider, we shall be the industry leader. This is our mission."

Strategy

- Services that Surpass Needs
- Customer Satisfaction
- Continuous Improvement
- Quality of Employees
- Shareholder Expectations

Financial
- Return on Capital
- Cash Flow
- Project Profitability
- Reliability of Performance

Customer
- Value for Money Tier I
- Competitive Price Tier II
- Hassle-Free Relationship
- High-Performance Professionals
- Innovation

Internal
- Shape Customer Requirement
- Tender Effectiveness
- Quality Service
- Safety/Loss Control
- Superior Project Management

Growth
- Continuous Improvement
- Product and Service Innovation
- Empowered Work Force

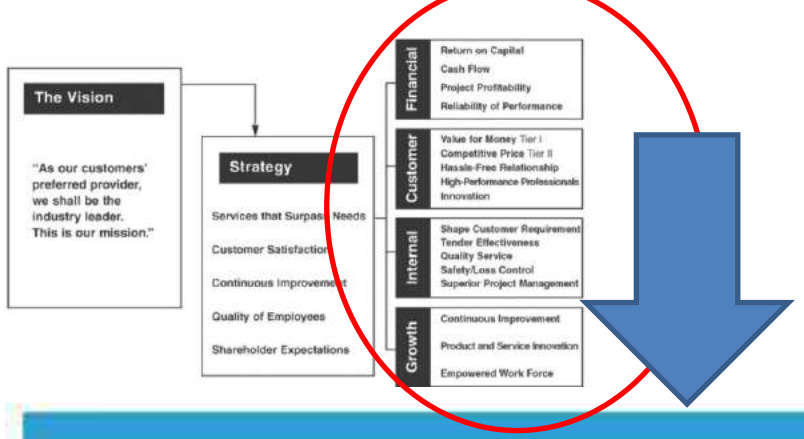
Strategy is best realised through measurement

The most powerful and the most successful strategies are held in common by sales and marketing. They should be developed in tandem and rooted in the concept of customer value.

An aligned strategy starts with shared goals, evolves into jointly agreed programmes and campaigns targeted at the same audiences or accounts, and finishes with common, or connected measures and metrics. If you don't measure the same things then even the best strategies will fall apart very quickly.

What Is Revenue Operations and How Does It Create Value? (forbes.com)

Source: moments-of-trust-v4.pdf (linkedin.com)



Example Metrics for the 4 Scorecard Measures

Financial *or* Stewardship

- Financial Performance
- Effective Resource Use

Customer & Stakeholder

- Customer Value
- Satisfaction and/or Retention

Internal Process

- Efficiency
- Quality

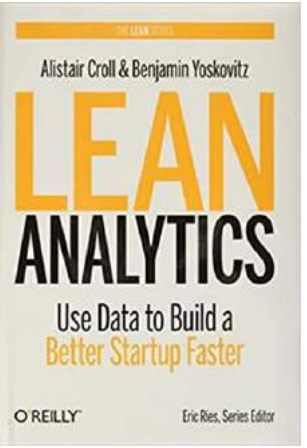
Organizational Capacity *or* Learning & Growth

- Human Capital
- Infrastructure & Technology
- Culture

"Data makes your briefcase heavy... insights make you rich."

– Niall Fitzgerald, Former Chairman of Unilever

“Data is the antidote to self-delusion.

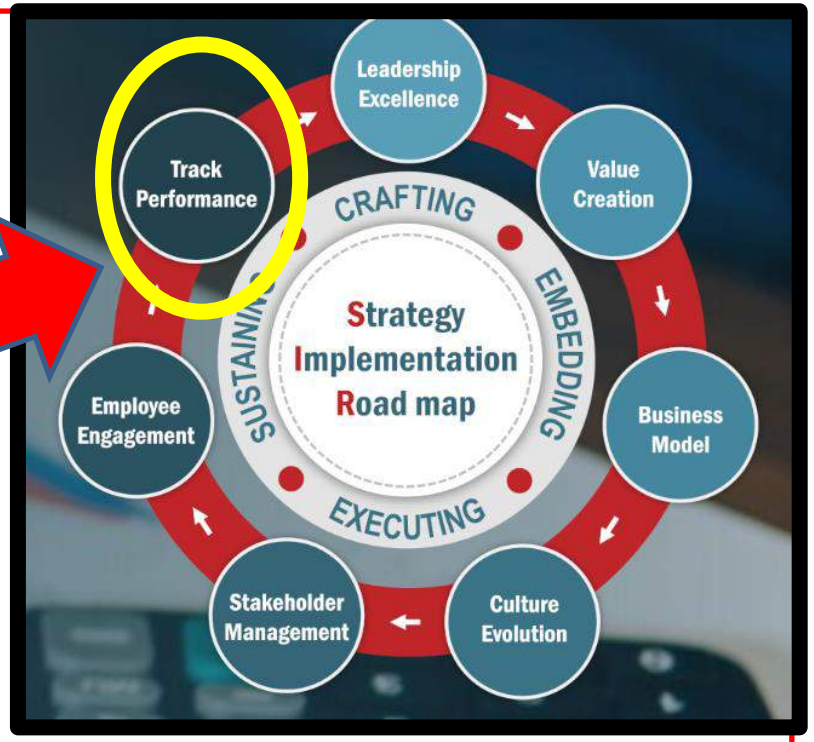


By allowing you to soberly measure your success, it keeps you on track: you'll know exactly where you stand as you work toward your goal.”

Lean Analytics - by Alistair Croll and Benjamin Yoskovitz

"Poor or ineffective strategic alignment often results in execution failure, unclear or conflicting priorities, duplicated efforts, organizational conflict and a decrease in employee motivation."

Align around published ***performance metrics***



Source: ***Staci Bullard***

LBL STRATEGIES
look before you leap

Home - Strategy Implementation Institute

What might these
Business Management "Dashboards "
or
"Scorecards "
look like ?

NOTE: The following examples are Illustrative Only !

*Example 1a: **Topside Summary**. Color Coded "Go-No-Go" Status. Objective Oriented.*

Definitions :

Red, **amber**, **green**, is a **traffic light system** that tells you that 'red' statuses are an alert, 'amber' statuses signal caution and 'green' means everything is on track.

Status Updates

DEA Special Testing Lab Interview

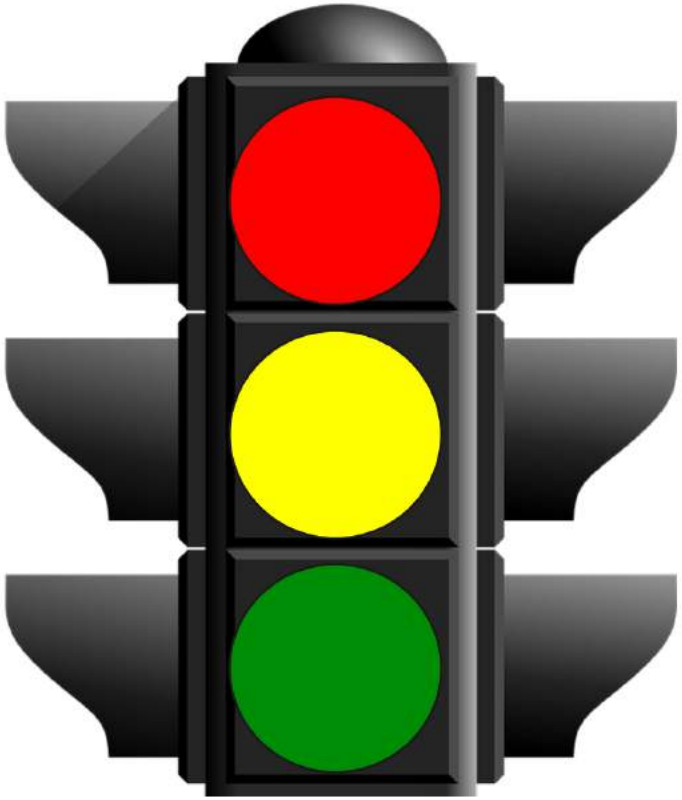
Chemistry Lab Tour and Interview

Initial Materials Purchase

Design Decisions and Alternatives

Design Review Report

Design Presentation



Met or exceeded plan Somewhat Short of Plan Short of plan

Resource: Red, amber, green - RAG reporting | Intrafocus Academy

*Example 1b: **Topside Summary**. Color Coded "Go-No-Go" Status. Objective Oriented.*

Short of both plan and prior year

Met or Exceeded 2020 But Fell Short of Plan

Met or exceeded plan

Definitions of each Color Coded Category

Red, amber, green, is a **traffic light system** that tells you that 'red' statuses are an alert, 'amber' statuses signal caution and 'green' means everything is on track.

Contractor Incidents

Product Returns
Gross Margin

Employee Safety
★ **Lifetime Value of Customers**
★ **Audit Results**
★ **Credit ; Deliquency > 30 days**
Total Revenue
★ **Premium Sales Volume**
★ **Total Operating Expense/Unit Opex**
Marketing as a % of Sales
Abandoment Rate
Pipeline Conversion Rate
Return on Capital Employed

★ Best Ever

[Resource: Red, amber, green - RAG reporting | Intrafocus Academy]

*Example 1c: **Topside** "Go-No-Go" Status Goals for Sales Team*

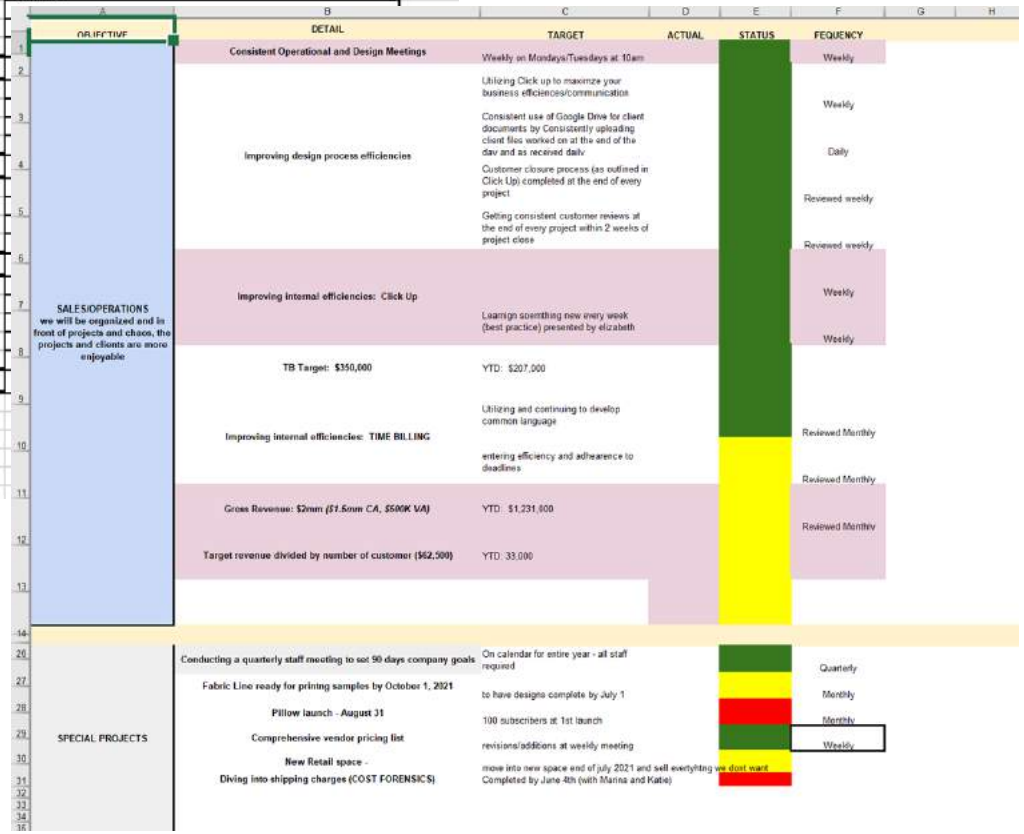
*Example 2a: **Spreadsheet** of "KPIs". Progress against Target. Color Coded Status.*

Intermediate

Updated: (DATE HERE)

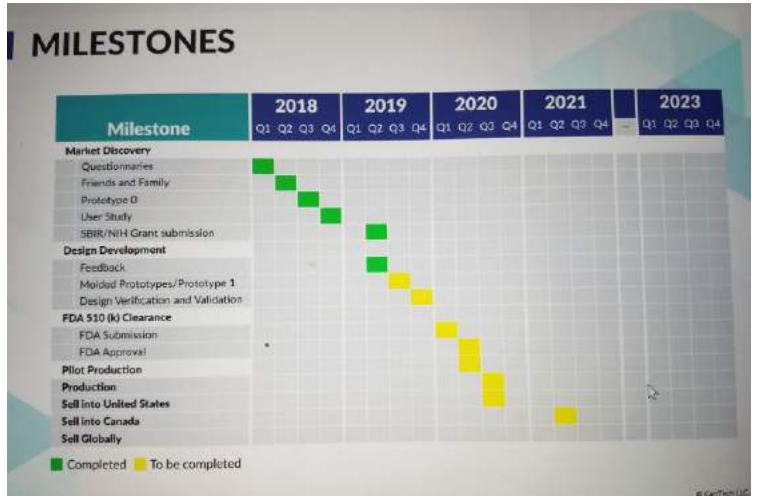
Proposed Measure	Type: Lead, Lag, Milestone, Other	Frequency of Report	2021 Actual	2021 Results Current Quarter	2021 Results YTD Status	2021 Full Year Plan	2021 Percent of Plan	Performance Indicator	Metric Definition
Safety									How is the metric calculated ?
Incidents in Taproom (damage or otherwise)	Lag	Q	0	0	0	0	100		1 (no $ or personnel damage)
Revenue related Metrics									
Lake Ridge Gross Sales	Lag	Q	300,000	25,000	30000	400,000	8%		in $ USD
Potomac Mills Gross Sales	Lag	Q	300,000	25,000	30000	400,000	0%		in $USD
		Milestone	NA			15-Apr	100		
		Milestone	NA			15-May	100		
		Milestone	NA			TBD	0%		
Beer Production Metrics									
		Q				14	0%		
		Q	na			1.8	0%		
		Milestone	NA			16-Apr	100%		
		Milestone	NA			TBD	0%		
Marketing Related Metrics									
Advertising Spend	Lead	Q	12000	3500	4000	12000	33%		
		Q	NA			2	0%		
		Milestone	NA			26-Feb	100%		
		Milestone	NA			TBD	0%		
Cost Related Metrics									
Taproom COGs		Q	0			1	0%		
		Q	NA			0.5	0%		
		Milestone	NA			22-Mar	100%		
		Milestone	NA			18-Apr	100%		
		Milestone	NA			TBD	0%		
Customer Experience Related Metrics									
Positive Customer Review (a simple count from XY Source)		Q							
Negative Customer Reviews (a simple count from XY source)		Q							

#	KPIs	Type of KPI	Formula
1	Success Rate	Leading	Dollar amount of awarded contracts/Dollar amount of submitted bids
2	Business Generated from Repeat Customers	Lagging	Value of contracts with repeat customers/Value of total contracts
3	Gross Sales	Lagging	Total of all product and service sales not including any returns, discounts, or rebates
4	Growth Rate	Leading	(Gross Sales This Year/Gross Sales Previous Year)*100%
5	Average Job Size	Lagging	Gross Sales/Number of Awarded Contracts
6	Sales Per Employee	Lagging	Gross Sales/Number of Employees
7	Customer Count	Lagging	Number of Customers with Awarded Contracts
8	Gross Profit Margin %	Lagging	Gross Profit/Gross Sales
9	Net Profit Margin %	Lagging	Net Profit/Gross Sales
10	Days Accounts Receivable Outstanding	Lagging	Average accounts receivable x 365 ÷ sales revenue
11	Profit Margin Enhancement by OPS	Lagging	Profitability on completed projects/Profitability at bidding stage
12	Revenue Target Achievement	Lagging	(Actual Current Year Contribution/Target Revenue)*100%
13	Safety and Compliance	Quality	Percentage of Projects with safety incidents or payment delays because of non-compliance (certified payroll, etc.) and
14	Timeliness and Quality	Quality	Percentage of Projects with backcharges and over 60 days delay in final invoice acceptance by client because of scope/quality issues
15	NPS (Customer Satisfaction)	Quality	Net Promoter Score on Projects based on customers' feedback



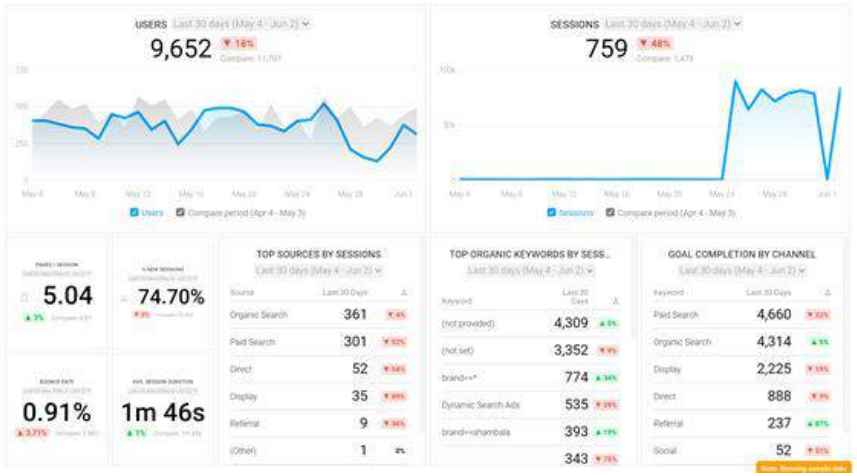
*Example 2b: **Spreadsheet** of "KPIs". Targeted Progress with Color Coded Status and Milestones*

OBJECTIVE	DETAIL	TARGET	ACTUAL	STATUS	FEQUENCY
SALES/OPERATIONS we will be organized and in front of projects and chaos, the projects and clients are more enjoyable	Consistent Operational and Design Meetings	Weekly on Mondays/Tuesdays at 10am			Weekly
	Improving design process efficiencies	Utilizing Click up to maximze your business efficiences/communication			Weekly
		Consistent use of Google Drive for client documents by Consistently uploading client files worked on at the end of the day and as received daily			Daily
		Customer closure process (as outlined in Click Up) completed at the end of every project			Reviewed weekly
		Getting consistent customer reviews at the end of every project within 2 weeks of project close			Reviewed weekly
	Improving internal efficiencies: Click Up	Learnign soemthing new every week (best practice) presented by elizabeth			Weekly
					Weekly
	TB Target: $350,000	YTD: $207,000			
	Improving internal efficiencies: TIME BILLING	Utilizing and continuing to develop common language			Reviewed Monthly
		entering efficiency and adhearence to deadlines			Reviewed Monthly
	Gross Revenue: $2mm *($1.5mm CA, $500K VA)*	YTD: $1,231,000			Reviewed Monthly
	Target revenue divided by number of customer ($62,500)	YTD: 33,000			
SPECIAL PROJECTS	Conducting a quarterly staff meeting to set 90 days company goals	On calendar for entire year - all staff required			Quarterly
	Fabric Line ready for printng samples by October 1, 2021	to have designs complete by July 1			Monthly
	Pillow launch - August 31	100 subscribers at 1st launch			Monthly
	Comprehensive vendor pricing list	revisions/additions at weekly meeting			Weekly
	New Retail space -	move into new space end of july 2021 and sell everythtng we dont want			
	Diving into shipping charges (COST FORENSICS)	Completed by June 4th (with Marina and Katie)			

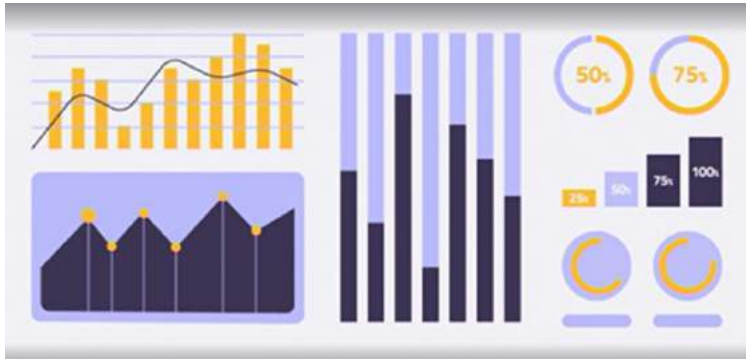


Example 3: Software Tools. Integrated with Business Platforms. Data Visualization

Advanced



Why is a “Scorecard” or “Dashboard” important ? and what are the benefits to business ?



Benefits of a Balanced Scorecard for Businesses

- ❑ Break strategic imperatives into things you can measure
- ❑ See a balanced view of your organization performance
- ❑ Improve strategic communication
- ❑ Improve organizational alignment
- ❑ Drive accountability
- ❑ Show employees see how they are contributing
- ❑ Support actionable decision-making
- ❑ Identify, Improve poor performance
- ❑ Adapt to changes, new dynamics over time

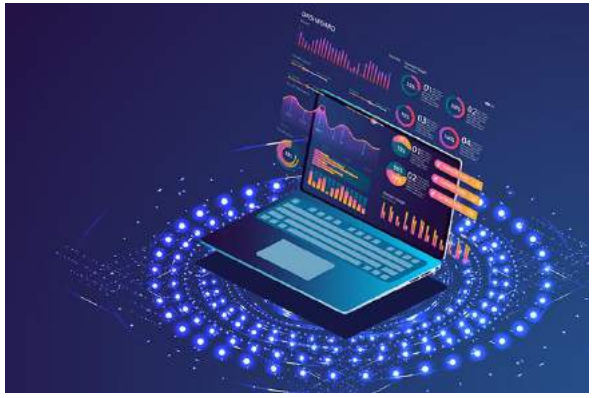
Q: What are some benefits to businesses for investing time into building dashboards and KPIs?

- ✓ Decision-makers become more confident when they can ***support decisions*** and ***justify their hypothesis*** with ***hard data***.
  - ✓ It also becomes far easier to obtain buy-in.
- ✓ Employees across the organization can ***use the same data to suggest ideas for improvements*** and to innovate
  - ✓ – using the same data that leaders have access to, via an exciting base of rich dashboards and informatics; empowers staff to contribute
- ✓ ***KPIs become far easier to set*** and ***to manage***
  - ✓ – and teams can take on their own with confidence
- ✓ ***Employees become more motivated***
  - ✓ – seeing the figures which evidence their results (and which make it far easier for rewards to be applied for high performance.)
- ✓ ***Small – Medium businesses have scarce resources; need to be efficient!***

Improving business processes and decision making becomes simpler

Q: What are some other benefits to businesses for investing in building dashboards and KPIs?

Why Bother?



Q: What are some other benefits to businesses for investing in building dashboards and KPIs? Why Bother?

A: A formalized sales process leads to a 65% increase in individual reps hitting their targets and an 88% increase in companies hitting their goals.

zendesk sell

"Scoreboard has greatly streamlined manual data collection, and our KPIs are much more readily accessible than before.

--- Roland Schmid, Associate Director, Biogen Idec

Being able to answer “what” questions in your data is incredibly valuable. It helps to tell a story about your data, and to identify problems and issues

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"A well designed dashboard report is a remarkable information management tool"

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“You can’t effectively manage what you don’t measure”

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Establishing and reporting out metrics and key performance indicators, gives you and your team a view, a visibility into performance, so the team can regularly assess their areas of potential improvement.

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"A well designed dashboard report is a remarkable information management tool"

“You can’t effectively manage what you don’t measure”

Establishing and reporting out metrics and key performance indicators, gives you and your team a view, a visibility into performance, so the team can regularly assess their areas of potential improvement.

“What gets measured gets done.”

Participant Engagement!

Pause: Questions thus far ?

What principles
guide the development
of a first draft
of a
business scorecard
or
dashboard ?

Guiding Principle Checklist for 1st time Scorecard / Dashboard Development

- ❑ **Start simply and modestly ; use a simple color coded “go-no go” status or simple excel spreadsheet**

Guiding Principle Checklist for 1st time Scorecard / Dashboard Development

- ❑ Start simply and modestly ; use a simple color coded “go-no go” status or simple excel spreadsheet
- ❑ **Start with less than 7 total KPIs or Metrics representing a handful of themes to begin**

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- ❑ **Measure what matters; develop the fewest relevant metrics**

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- ❑ **Ensure the metrics are meaningful, relevant, measurable and quantitative (discovery)**

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- ❑ **Pick metrics that “DRIVE” positive business results; avoid “vanity” metrics (discovery)**

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- ❑ **Ensure the metrics will produce some insights; ask *“How would I act on these if I had the data” ?***

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- ❑ **Develop metrics for your scorecard that are at least “semi-automated” / tech enabled if possible**

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…And then…

- ❑ *Deploy, **looking for insights** that would **lead to an action** yielding a **1% improvement** in ANY area !*

How do successful businesses link data to strategy?

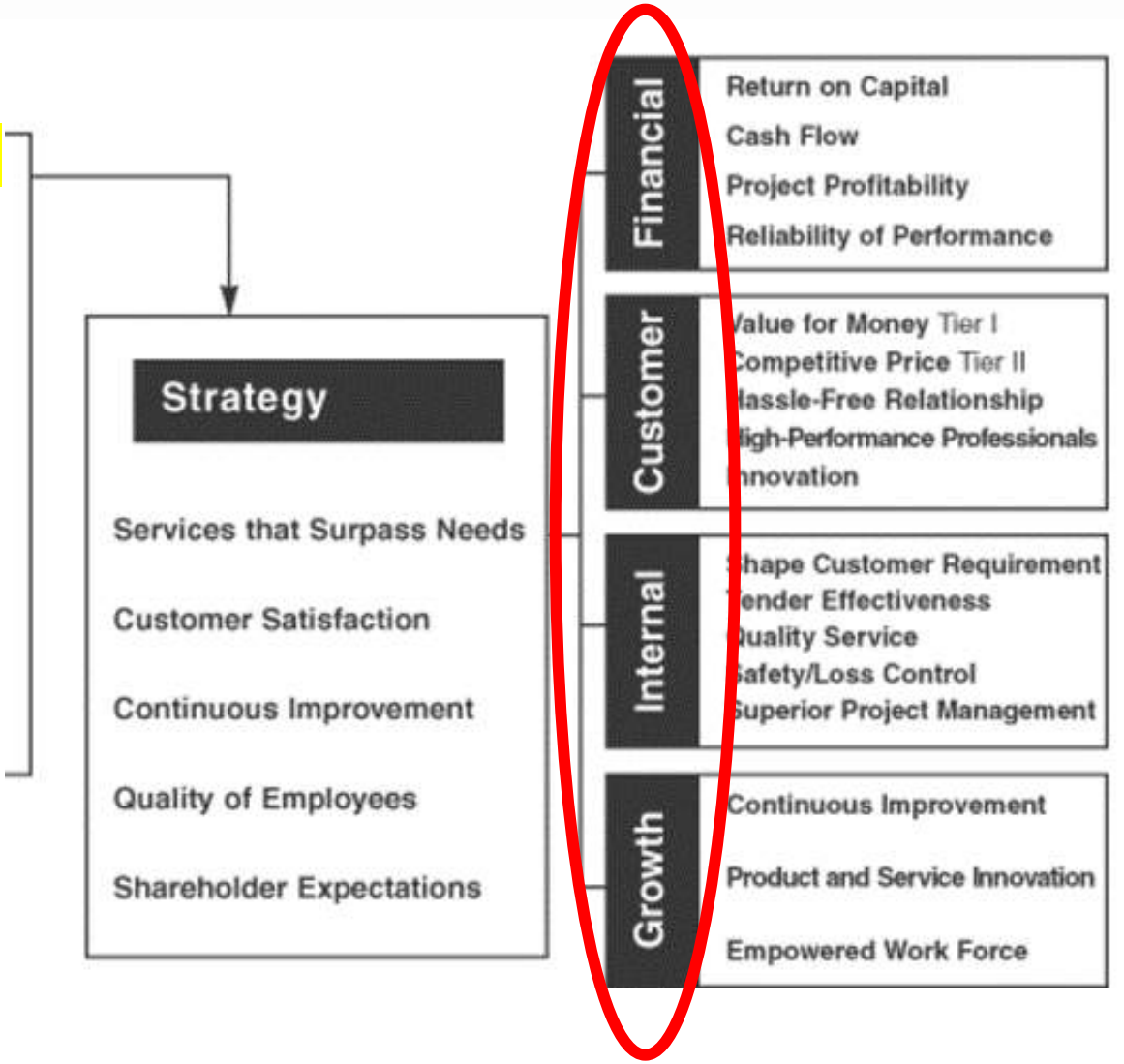
Best Practices in linking data to strategy:

Successful Business Firms:

- use a wide base of data sets from ***internal and external sources.***
  - *internal sources* could be the company CRM, website analytics, sales systems and so forth.
  - *external data* might be benchmarking data, commissioned industry landscape reports or competitor analysis.

- ***systematically gather, assess, mine insights and utilize*** this data and then use it to underpin all decision making.
  - This ensures that data drives strategic decisions.

- ***invest in data systems*** and ***use automated business system software*** wherever possible to links to these systems to leverage their software purchase value



What size businesses
typically need
Scorecards or Dashboards
to run their businesses ?

Perspectives on creating business dashboards across a spectrum of businesses of all sizes

Large Organizations

- Many unique systems
- Poor data collection methods
- Low coordination between systems
- Data silos

Small Organizations

- Have a lack of data
- Short organizational history
- Lean on industry reports

There is no particular business size threshold to begin thinking about building a business dashboard

- Tiny family businesses
- Community based businesses
- Fledgling startups
- Growth companies
- Campaign organizers
- Charities and non profits
- Large Corporations

Everyone starts with "3 simple *Metrics that Matter*" *most to your particular business*

Participant Engagement!

Pause: Questions thus far ?

How do we get started ?

How do small business owners begin building these Dashboards for their businesses ?

Microsoft Word - How to Develop Meaningful Key Performance Indicators V7-web A5 Size.docx (intrafocus.com)

Every Business has 3 “CORE” (financial) Metrics to begin to track !

Participant Engagement:

Put your answers / guesses in the chat box !

Every Business has 3 “CORE” Metrics to begin to track !

Top Line Revenue – $$$s in

Operational Expenses / Budget – $$$s paid out

Margin – $$$s left for the business after all expenses, rent, tax, etc. are paid for

Process for developing a KPI dashboard

Here's a framework for creating a KPI dashboard.

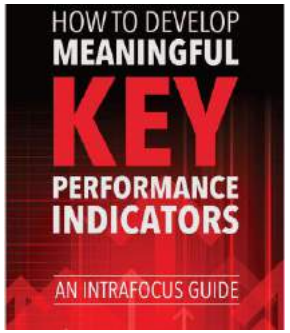
- ❑ Focus on one business target and place it into view
- ❑ Define your key performance indicators that measure progress against those targets
- ❑ Consult with stakeholders
- ❑ Sketch your dashboard's design or use a template
- ❑ Gather your key data points
- ❑ Assign dashboard development to staff (or yourself if solopreneur)
- ❑ "Build a Story Board" of your first key performance indicator / metric
- ❑ Deploy your 1st KPI dashboard "governance" meeting structure and frequency

...then build 4 more KPIs / Metrics.....(then there were 5 !)

...then down the road, consider selecting KPI dashboard software

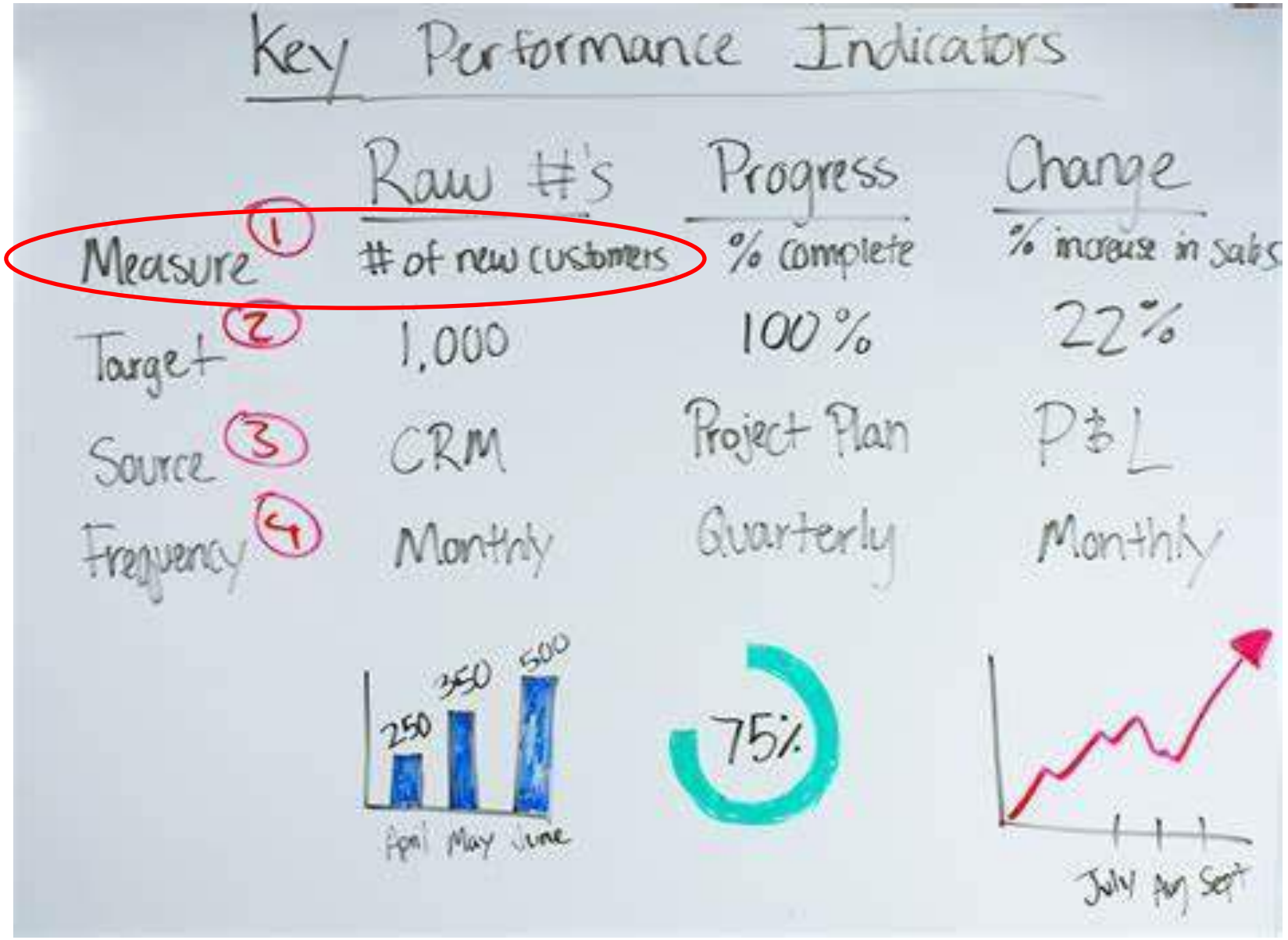
Process for developing a KPI dashboard

Here's a framework for creating a KPI dashboard



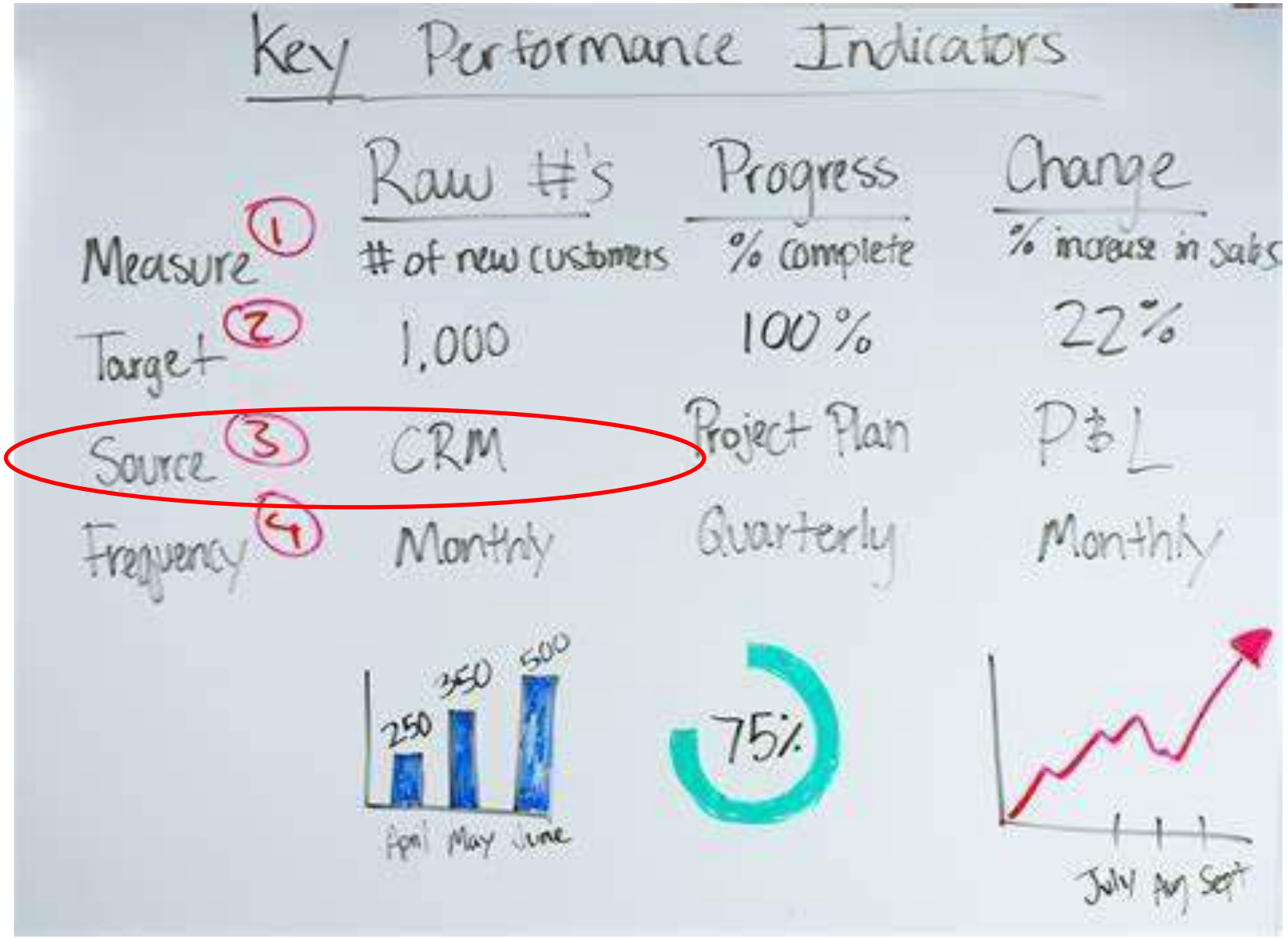
Source: [Microsoft Word - How to Develop Meaningful Key Performance Indicators V7-web A5 Size.docx (intrafocus.com)]

Using a
"Story Board"
To design your
Metrics / KPIs



Using a
“Story Board”
To design your
Metrics / KPIs

Using a
"Story Board"
To design your
Metrics / KPIs



Using a
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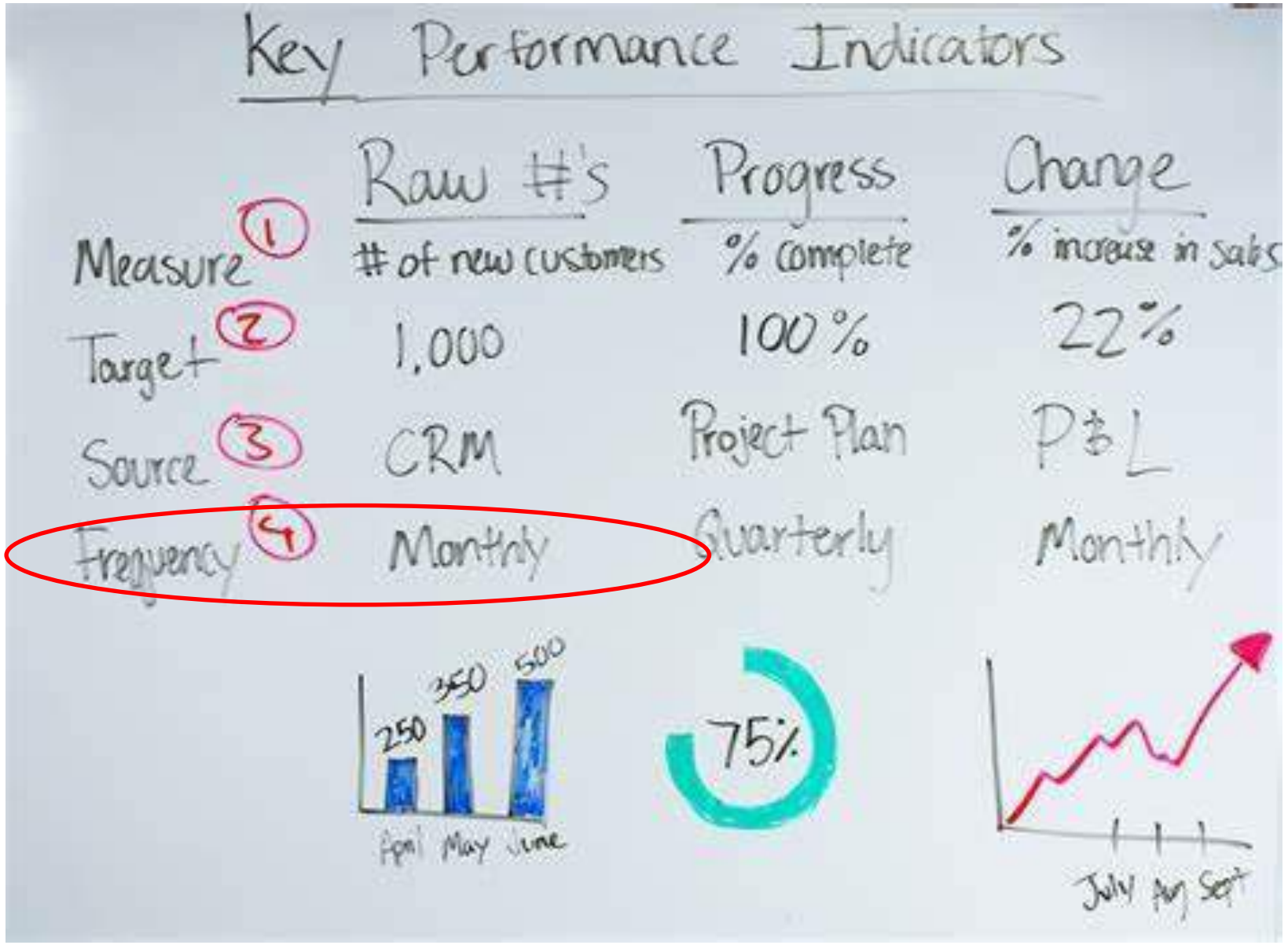


Here are Tools / Frameworks for Building out your Metrics

Use the *S.M.A.R.T.* framework to guide you

Aim to create targets that are Specific, Measurable, Achievable, Realistic and Time-Bound. Apply this rule to each KPI target that you're considering

Specific: Define targets as specifically as you can. Test your KPIs to check for a common understanding.

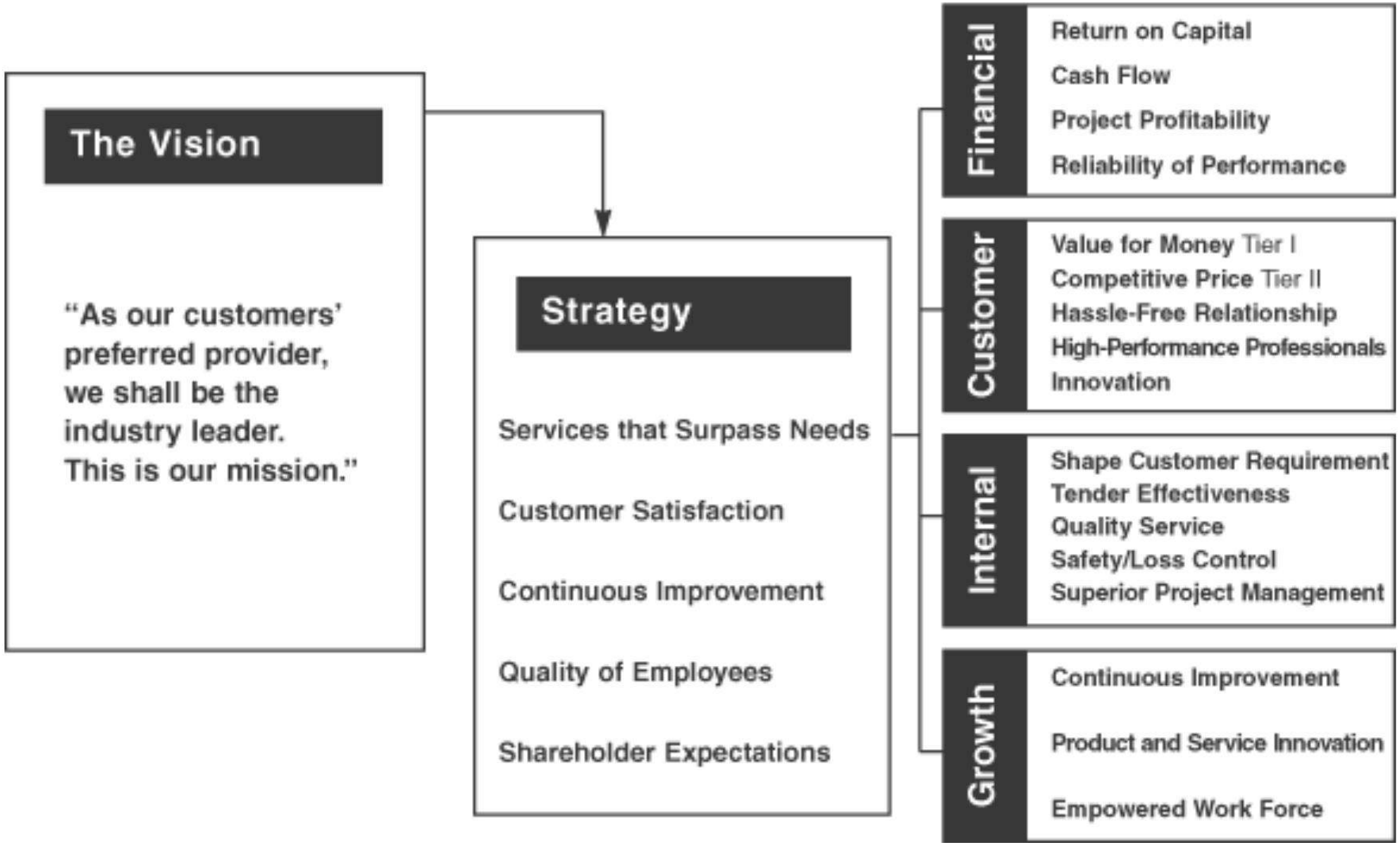
Measurable: Needs to be data-driven and empirical/quantitative; know the process gathering that data

Achievable: check with front line employees to gauge relevance, realism

Realistic: Must be achievable otherwise there will be a disconnect with your people on the front line

Time-bound: Support the large goal with smaller incremental targets; check along way to avoid surprises

Lets turn our framework into action!



OUR CORE VALUES and VISION for XYZ

XYZ Co. and its leadership team will always be guided by 3 uncompromising **Core Principles:**

1. Never place profit over people
2. Continuously Innovate to hedge uncertainty
3. Delight our customers every day

Our **Vision is** to…__

_____

_____

_____

_____

OUR STRATEGIC IMPERATIVES /AIMS/ GOALS for 202X-202X

1.

2.

3.

4.

5.

PERFORMANCE METRICS TO MEASURE PROGRESS AGAINST OUR GOALS

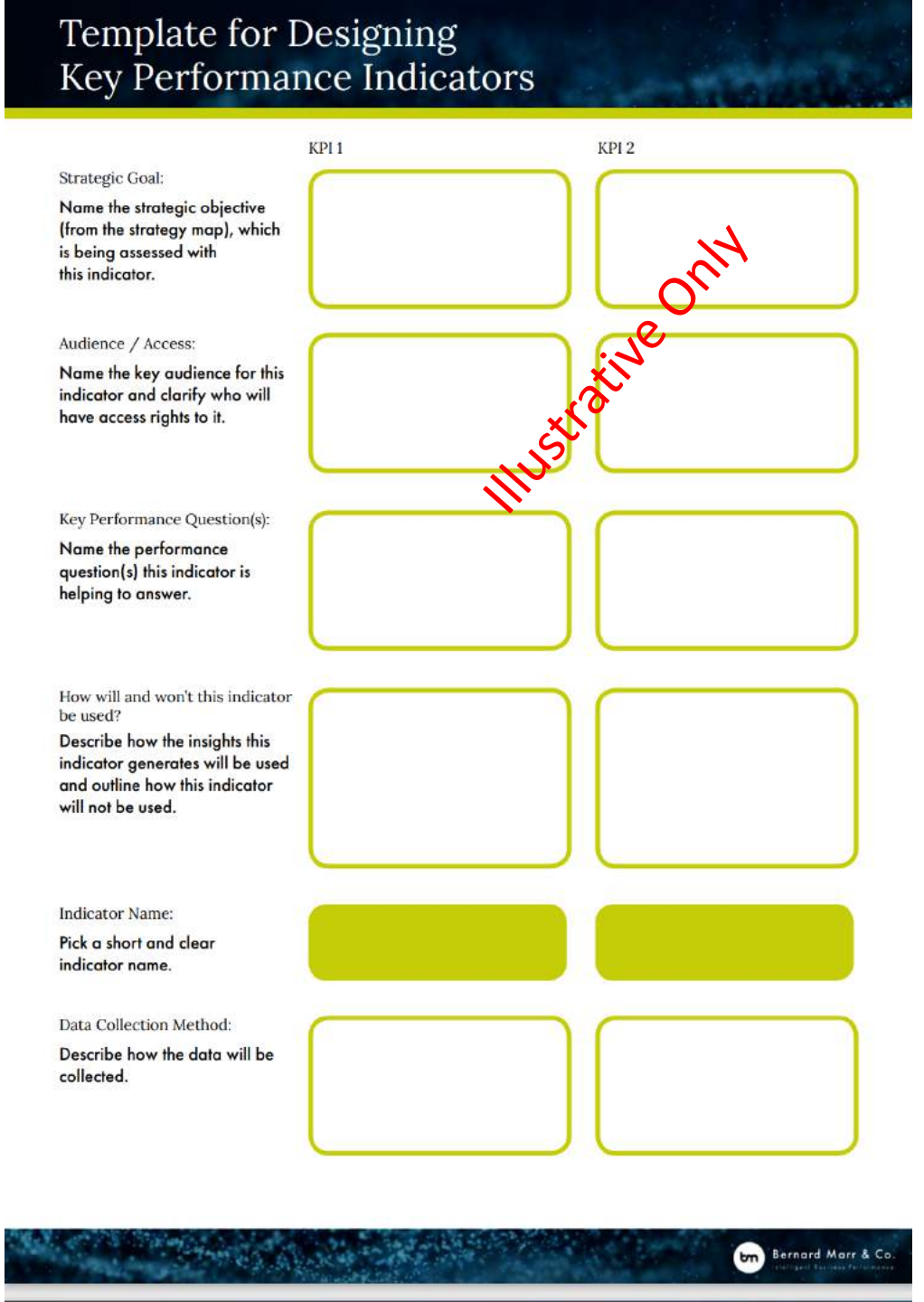
- ***Financial Metrics***
  - What is the quantifiable LEAD metrics? How is it quantified?
  - What is the quantifiable LAG metric(s) ? How is it quantified?
  - Any Milestone Metrics ? Key milestone dates?
- ***Customer Experience Metrics***
  - What is the quantifiable LEAD metrics? How is it quantified?
  - What is the quantifiable LAG metric(s) ? How is it quantified?
  - Any Milestone Metrics ? Key milestone dates?
- ***Internal / Process Metrics***
  - What is the quantifiable LEAD metrics? How is it quantified?
  - What is the quantifiable LAG metric(s) ? How is it quantified?
  - Any Milestone Metrics ? Key milestone dates?
- ***Organizational / Cultural / Diversity/Inclusion Metrics***
  - What is the quantifiable LEAD metrics? How is it quantified?
  - What is the quantifiable LAG metric(s) ? How is it quantified?
  - Any Milestone Metrics ? Key milestone dates?

Our Leadership Team will start reporting our progress forward in Jan 202X and do so on a monthly basis using a simple spreadsheet & stop lights

There are additional modular templates to help you build your KPIs!

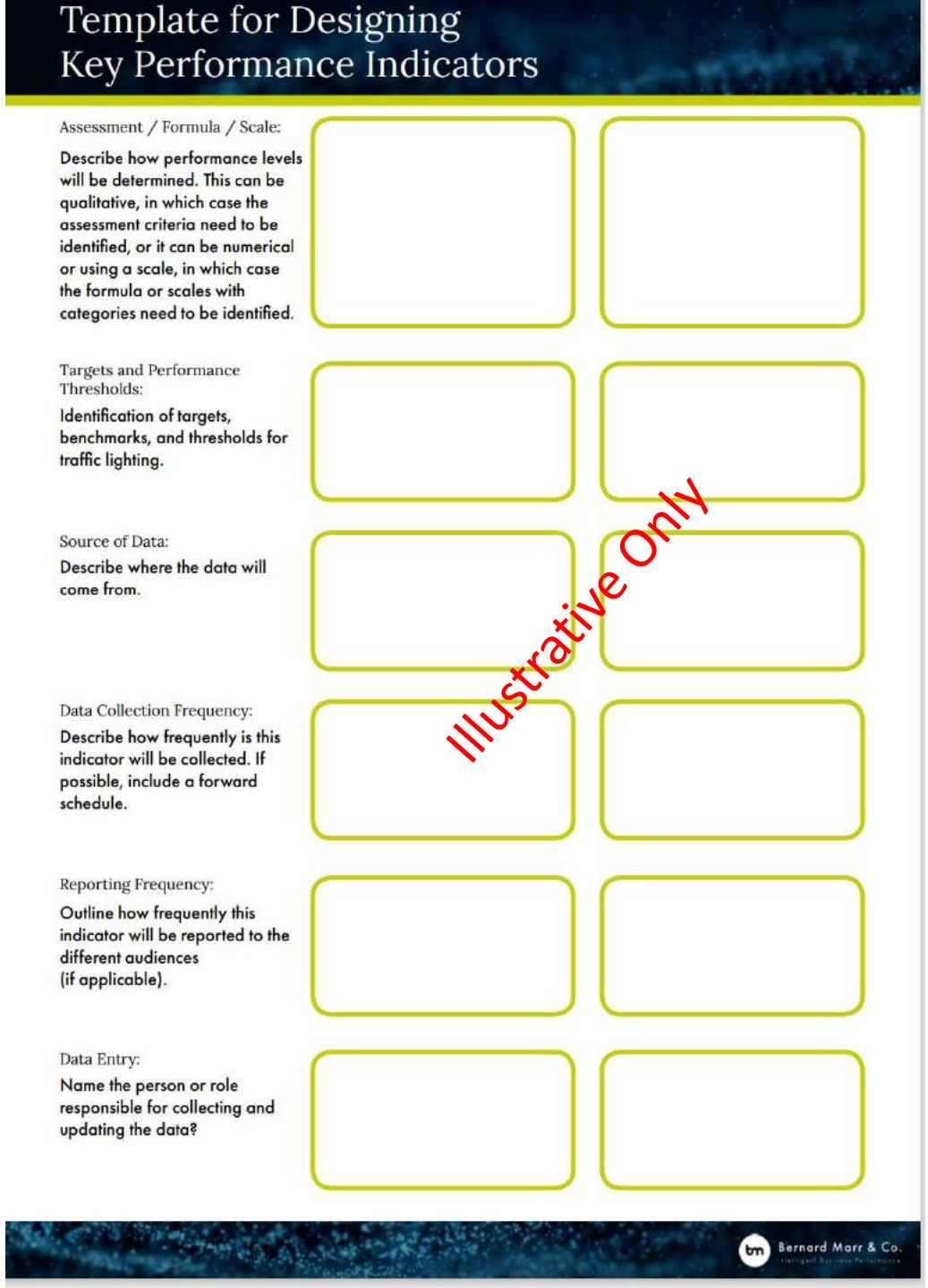
STEP 1

- ❑ Strategic Goal ?
- ❑ Audience ?
- ❑ Key Questions ?
- ❑ How will it be used ?
- ❑ Indicator Name ?
- ❑ How will the data be collected ?



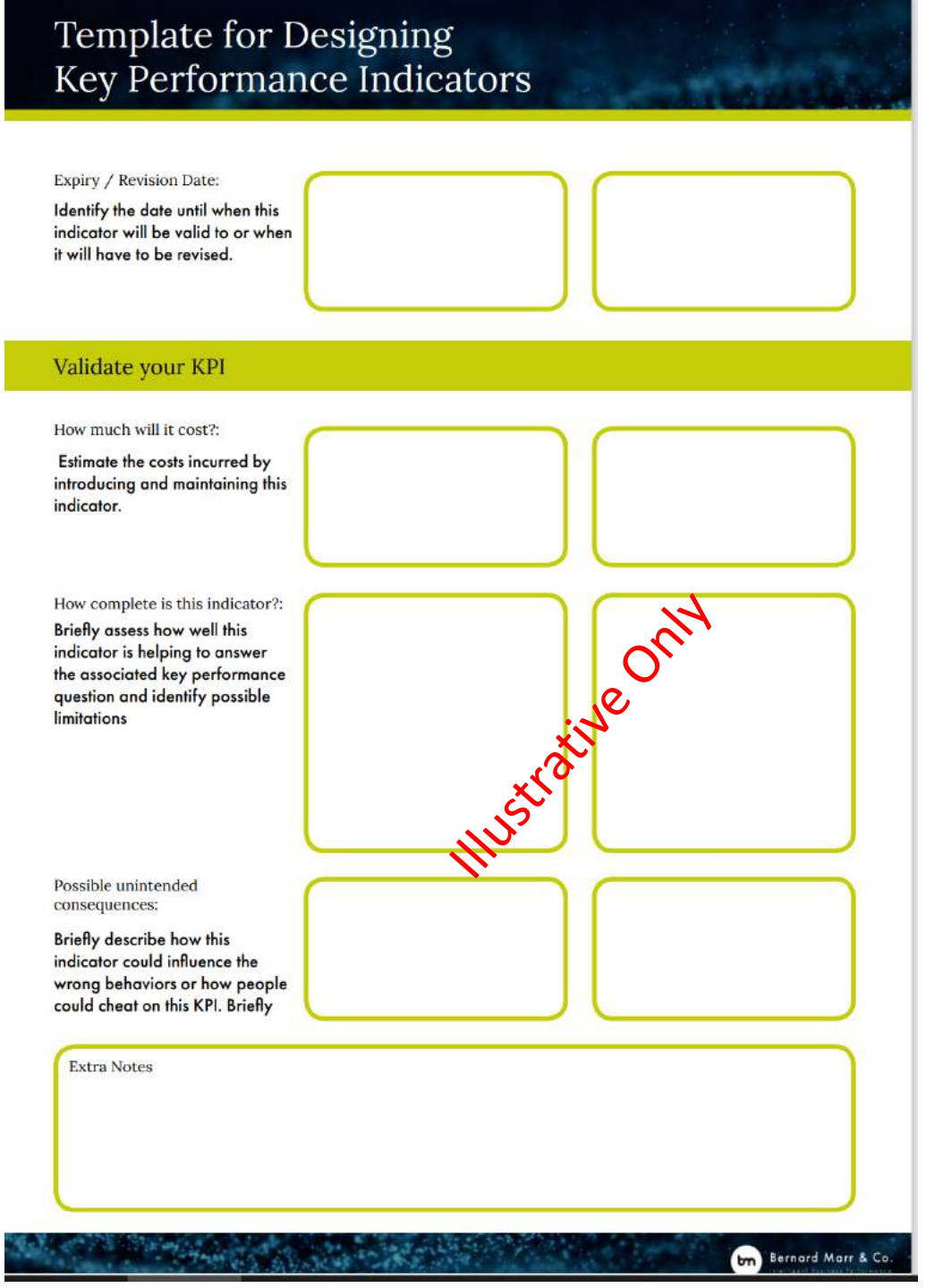
STEP 2

- ❑ What is the measure and units ?
- ❑ What are the targets and thresholds ?
- ❑ How often do we collect the data?
- ❑ How often will the dashboard be reported ?
- ❑ Who will build the dashboard ?



STEP 3

- ❑ If you automate it how much will it cost ?
- ❑ How complex is the automation / integration ?
- ❑ Who integrates it ?
- ❑ Are there any unintended consequences ?



What 9 simple metrics
might a business owner consider
when developing their very first version
of the
business scorecard
or
dashboard?

Metric Design Brainstorm :

Illustrative only

Safety related metrics*	(1)
Sales Pipeline related metrics	(2)
Cost / Budget related metrics	(1)
Marketing Related metrics	(2)
Digital / Web Analytics metric	(1)
Customer Centric Related metric	(1)
Milestone / ***Project*** related metric	(1)

Total Metrics: 9

* If Applicable

[Top 15 KPIs for Small Businesses - Intrafocus]

Illustrative only

Safety

- Number of reported incidents this month

Sales

- % of Prospects Converted from emails, meetings
- Lead Velocity Rate = (Number of qualified leads in the current month – Number of qualified leads last month) ÷ Number of qualified leads last month x 100

Cost / Budget

- % of budget spent vs targeted budget

Marketing

- marketing expense$ as a % of sales
- ratios of organic and paid search over total marketing spend
- E-mail campaign performance (% conversion to sales)

Digital / Web Analytics

- % of Website users converted to meetings

Customer Centric

- % Net Customer Retention = ((sum of cancelations+contractions+new customers))/customer base

Milestone / Project

- % completion of Project XYZ on time and on budget

Library of KPIs / Metrics
By Department / By Industry

- KPI Examples by Industry and Department | Spider Strategies

Source:

https://www.spiderstrategies.com/

What software tools, or other resources are available to make scorecard or dashboard development integrated with some of your systems and therefore more automated ?

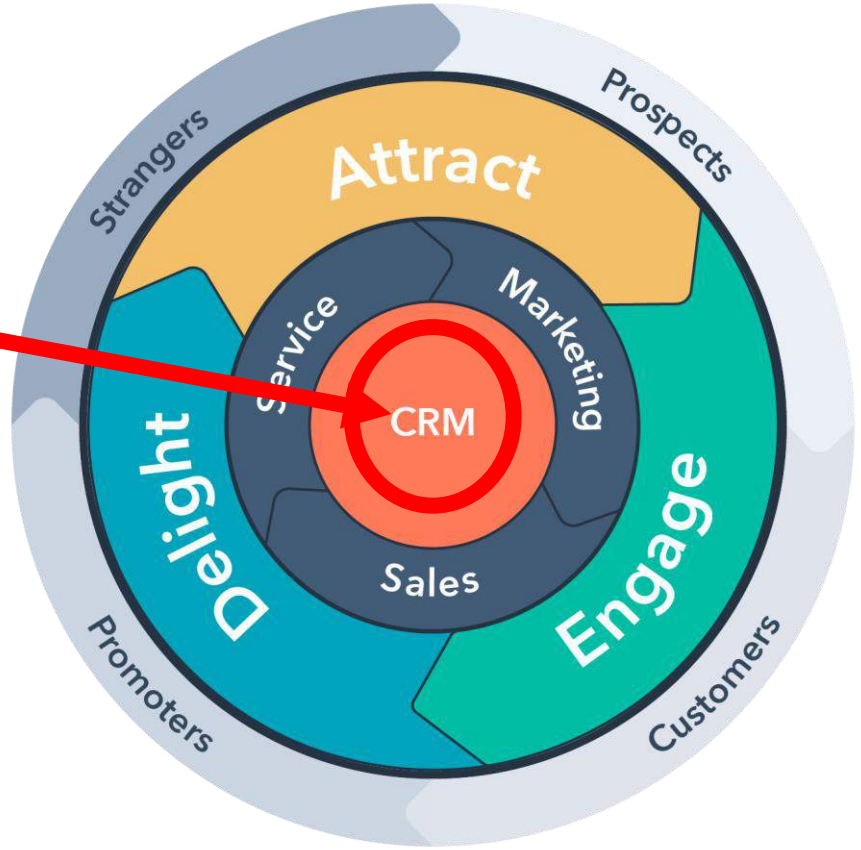
[KPI Monitoring Software - Intrafocus]

[The Role of Technology in KPI Management - Intrafocus]

HubSpot's All-in-One Marketing Software

HubSpot works for companies and marketing departments of all shapes and sizes.

Learn more about our free software for small business, our powerful capabilities for enterprise companies, and our solutions for everyone else in between.



Get Started for Free

Figure 1. Magic Quadrant for B2B Marketing Automation Platforms

Source: Gartner

Dashboard Reporting Software

Compare product features and ratings to find the right Dashboard Software for your organization.

Product	Data Connectors	Data Visualization	Functions/Calculations	KPI Monitoring	Private Dashboards	Public Dashboards	
Tableau (1485 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
Datorama (15 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
TapClicks (163 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
Qlik Sense (180 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
CXO Software	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
Domo (186 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
monday.com (2343 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
Cumul.io (16 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
ClicData (123 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
Zoho Analytics (218 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE

Compare all software products on Capterra's **Dashboard Software** Directory.

Illustrative Only

[KPI dashboard software]

[KPI dashboard software]

[Best Web Dashboard Creator (caspio.com)]

[Dashboard Reporting Software (capterra.com)]

[Quickly Build Badass KPI Dashboards for Your Business (Free!) - Bing video]

	Product	Data Connectors	Data Visualization	Functions/Calculations	KPI Monitoring	Private Dashboards	Public Dashboards	
	Domo (186 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
	Qlik Sense (180 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
	CXO Software	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
	monday.com (2356 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
	Cumul.io (16 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
	Datorama (16 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
	Phocas Software (64 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
	Wrike (1662 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
	Zoho Analytics (219 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE
	AnswerRocket (14 reviews)	✓	✓	✓	✓	✓	✓	VISIT WEBSITE

Illustrative Only

RHYTHM®

Leading Indicator Creator

What Business Problem are we trying to solve?

1	What is your Main Business Problem?

2	Desired Outcome	When

How will we measure the RESULTS?

3	Result Indicator (KPI)	Success Criteria	
			SG
			Green
		between Green and Red	Yellow
			Red

What is the LEADING Indicator that helps us drive towards achieving the Results?

4	Leading Indicator (KPI)	Success Criteria	
			SG
			Green
		between Green and Red	Yellow
			Red

Test your Leading Indicator

5	Test	Y/N
	Does your Leading Indicator predict the right results?	
	Is it within your control? Can you influence your Leading Indicator?	

Illustrative Only

Examples of Lead Indicators

Company	Leading Indicators
3M Corp	# of new innovations # of patents Customer Service perception
Dell Computer	Customer satisfaction Days of supply in inventory
Sprint	Customer satisfaction Brand recognition Volume growth of high-end clients
Coca-Cola	# of cases shipped Growth in new markets Brand growth

Sales Coaching and Productivity Metrics Platforms :

(1) New Messages! (gong.io)

Give your teams and leadership complete visibility into all deals, team performance, and market changes. Know for sure what is actually coming down the pipeline each month.

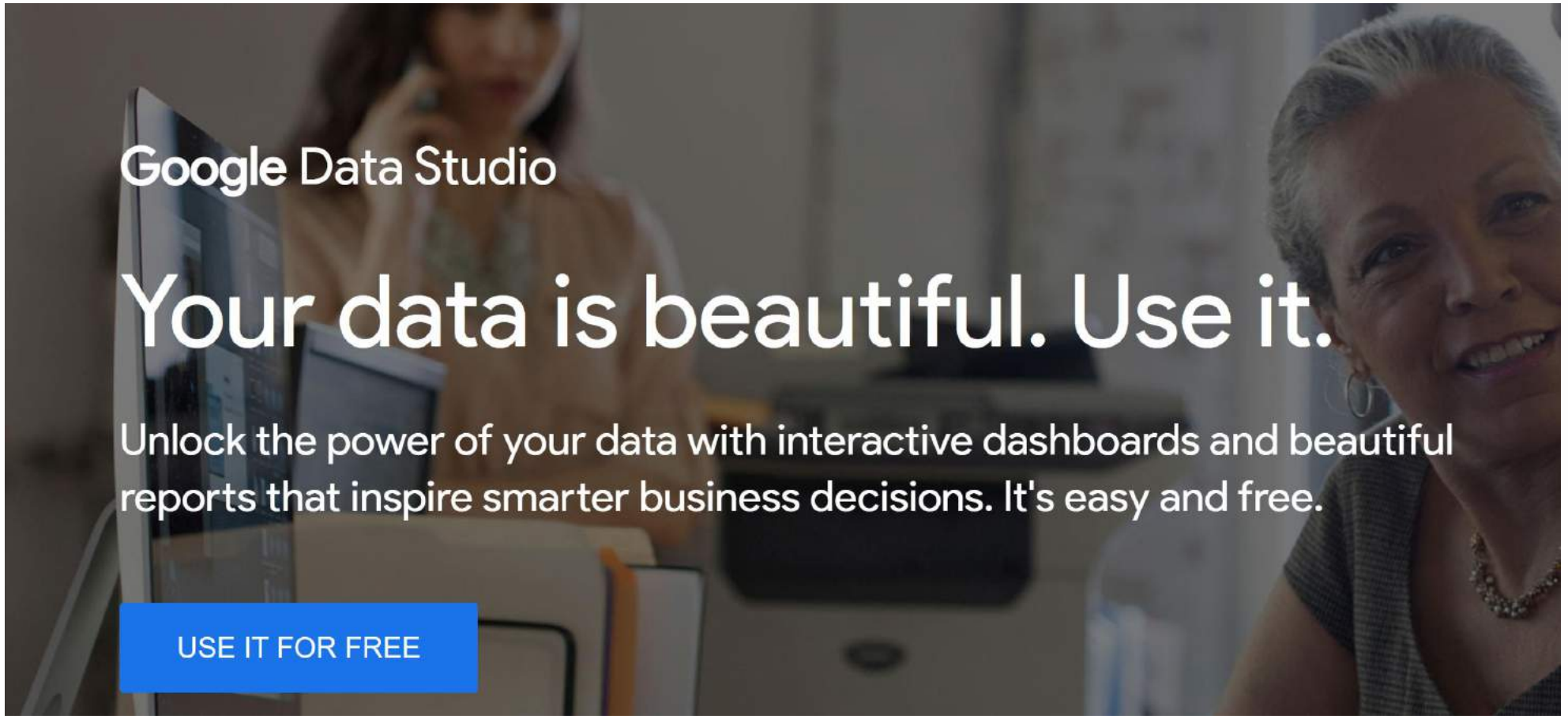
SmartWinnr | 1 Platform for Sales Learning, Sales Coaching and Sales Contests

A single platform to drive sales contests, sales learning and sales coaching for remote sales teams

Revenue Operations and Intelligence Platform | Revenue Grid

Get Revenue Grid to improve your sales team's performance and shift your CRM from the "view mode" to the "do mode". It works natively with Salesforce and CRMs from SAP, Oracle, and Microsoft

Quickly Build Badass KPI Dashboards for Your Business (Free!) - Bing video



More Web Scorecard Resources

More Web Metric Resources

[How To Make A Performance Dashboard Business Excel Tutorial - Bing video]

[Quickly Build Badass KPI Dashboards for Your Business (Free!) - Bing video]

https://www.zendesk.com/blog/how-sales-managers-should-use-the-5-most-important-sales-reports/?utm_source=ActiveCampaign&utm_medium=email&utm_content=Focus+Your+Account+Based+Selling+with+Intent+Data&utm_campaign=8%2F14%2F20+-+Newsletter

marketing_dashboards_dos_donts_whitepaper_2019.pdf

salesforce-research-sixth-edition-state-of-marketing.pdf

3 keys to building a measurable sales pipeline (1).pdf

What is the story of your data?. How to transform your raw data into… | by Joel Shuman | The Startup | Medium

Simple 2022 Guide to Strategy Maps | Strategy Map Software (spiderstrategies.com)

Rollstack | Automate your Presentations and Documents

The KPI Dashboard - Seeing the Big Picture - Intrafocus

Participant Engagement!

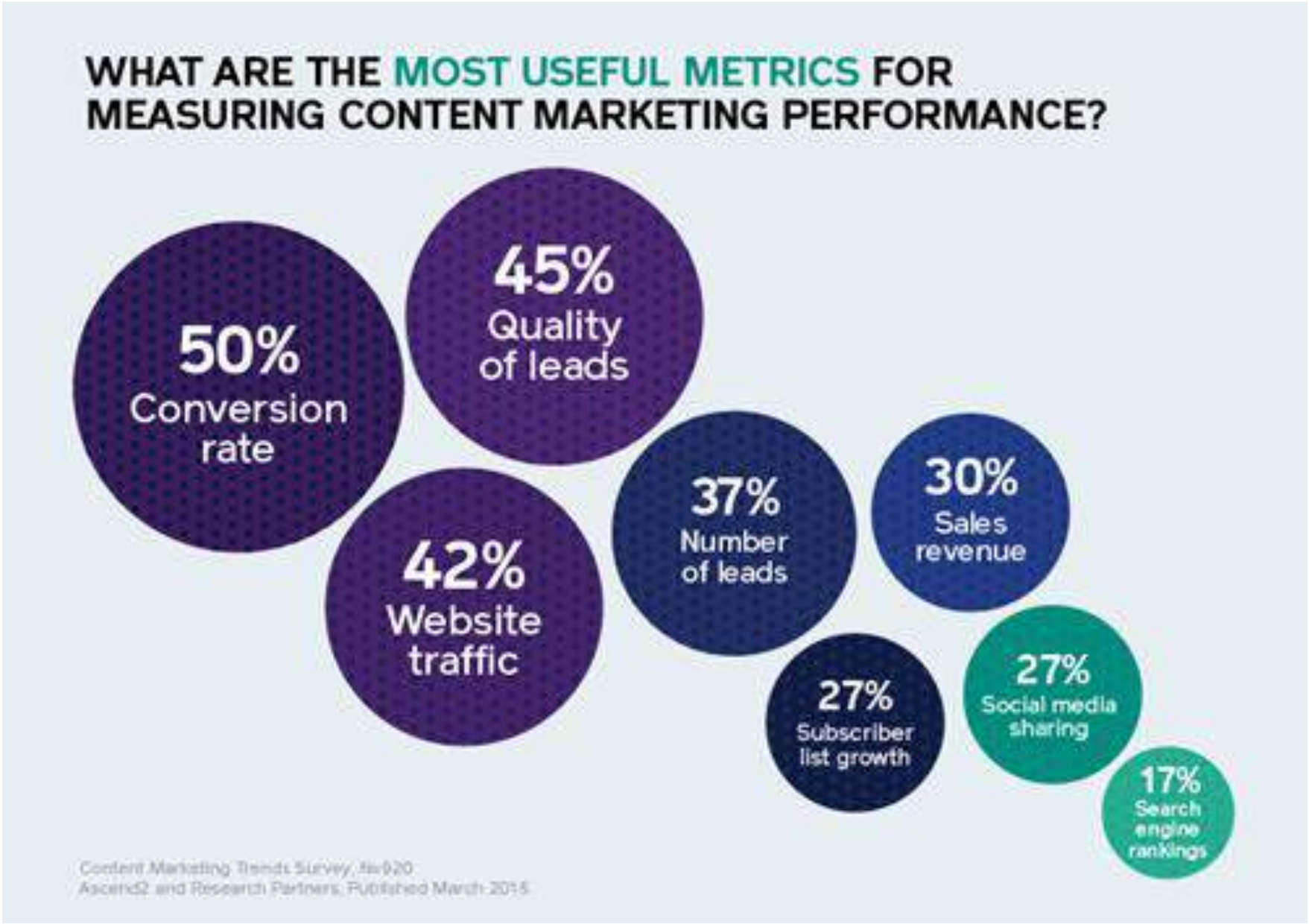
Pause: Questions thus far ?

Beyond ***the basic*** dashboard,
what other categories of
key performance indicators (KPIs)
might be included on dashboards
as my business matures,
in future versions ?

Some *Marketing Metrics* To Consider

Average open rate for email vs. SMS marketing—18% and 98% respectively

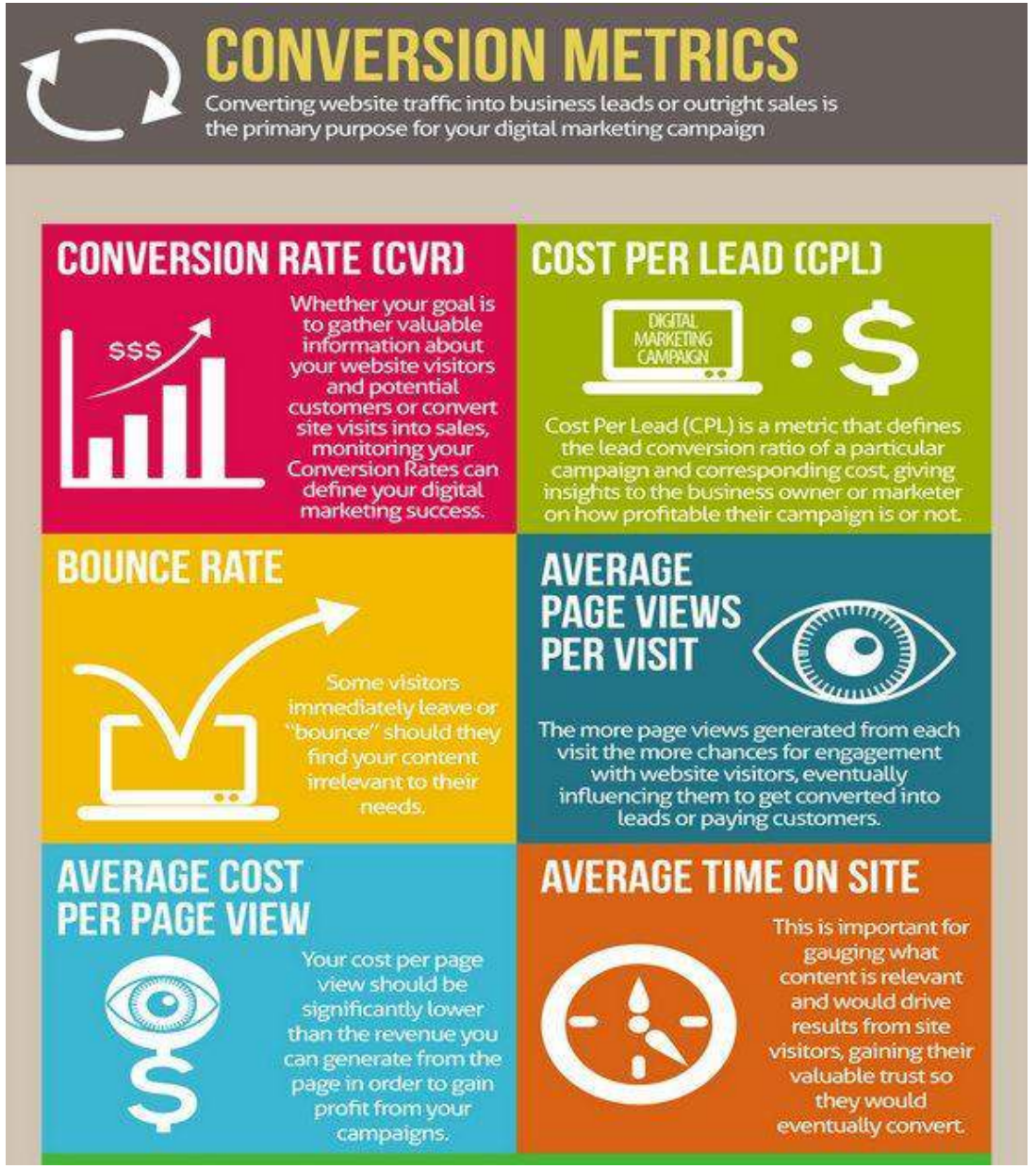
Average click through rate for email vs. SMS marketing—3% and 19% respectively



Some Marketing To Sales Conversion Metrics To Consider

Image Source/Getty Images

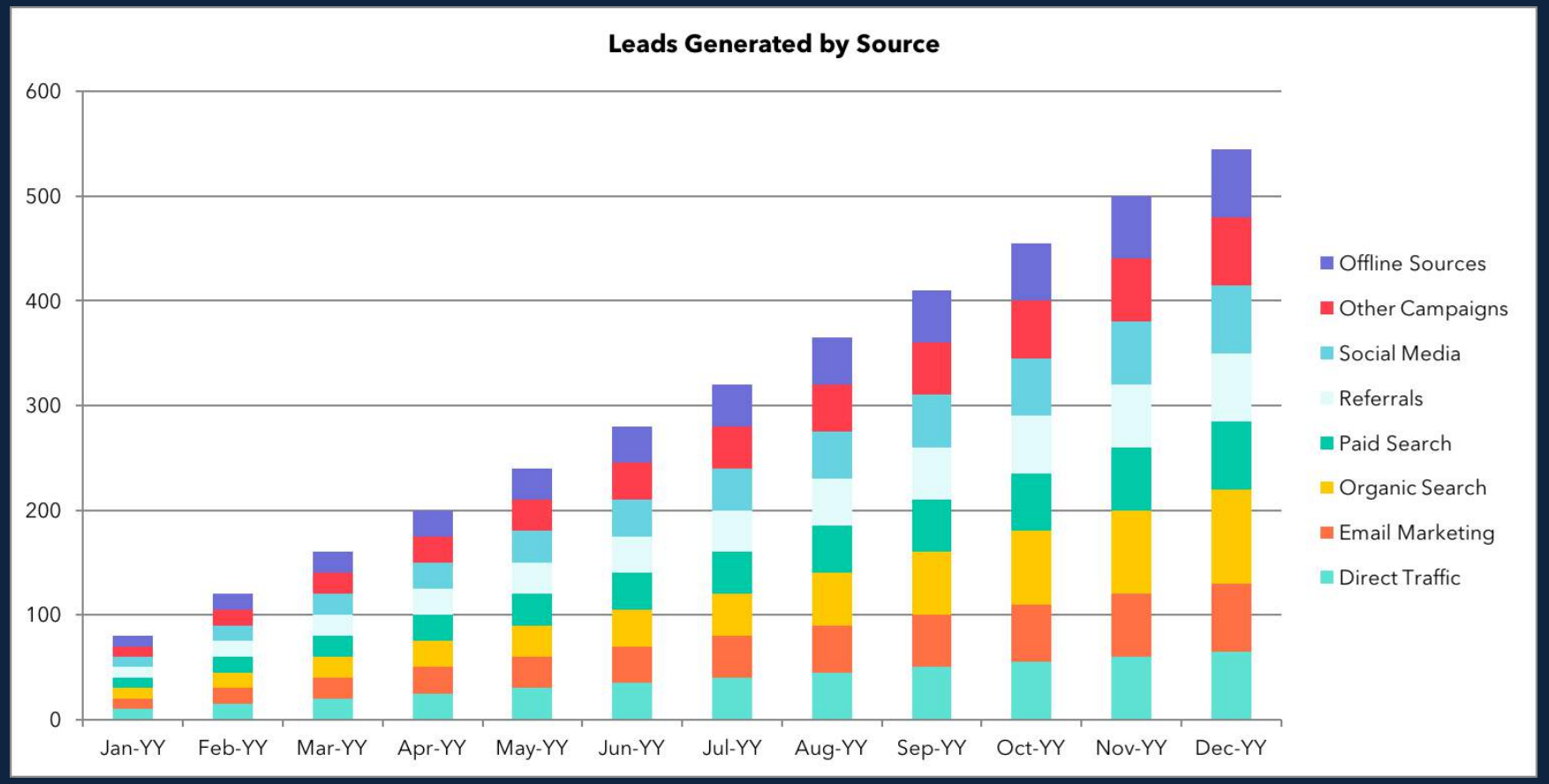
- Monthly Visits
- Monthly Contacts Created
- Email Opens/Clicks
- Blog Post Views
- Landing Page Submissions



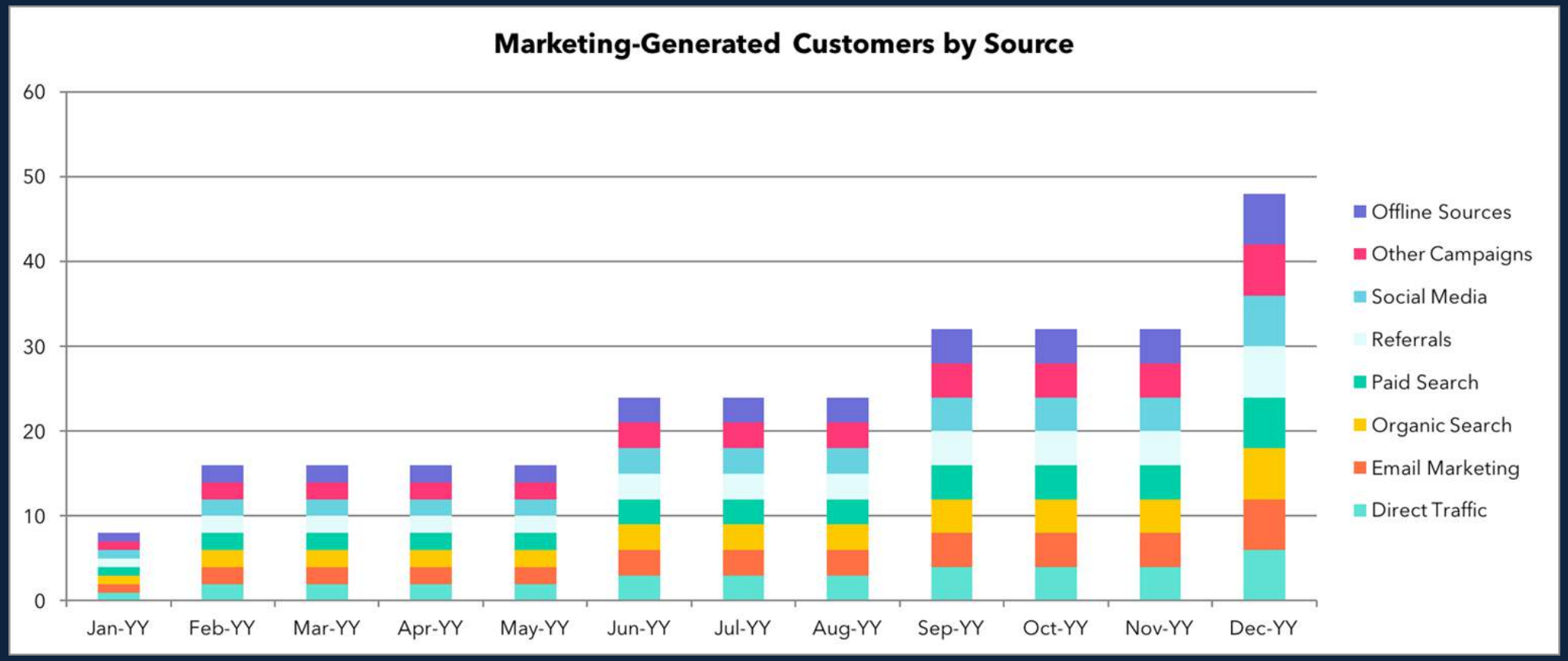
Video ROI, Impact & Analytics Measurement

[Video ROI: Using Analytics to Measure Impact (wistia.com)]

Leads Generated by Marketing Efforts



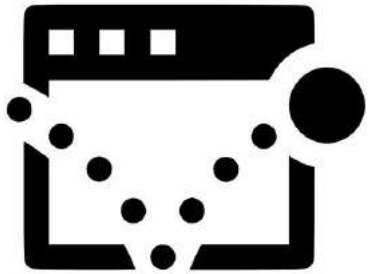
New Customers by Source



Some *Sales Management Metrics* To Consider

Some *Sales / Pipeline Metrics* To Consider

- ❑ Sales Pipeline related metrics
- ❑ Web Conversion Rate Metrics
- ❑ Number and Quality of Leads Metrics
- ❑ Web Site Traffic Metrics
- ❑ Revenue by Product
- ❑ Revenue per customer
- ❑ Average Deal Size in $s
- ❑ Cash Management Metrics
- ❑ Cost of Customer Acquisition
- ❑ Average Response Time
- ❑ Average Resolution Time
- ❑ Customer Retention



[Get FG Funnels™ Founding Member Unlimited]

More Sales / Pipeline Metrics

To Consider

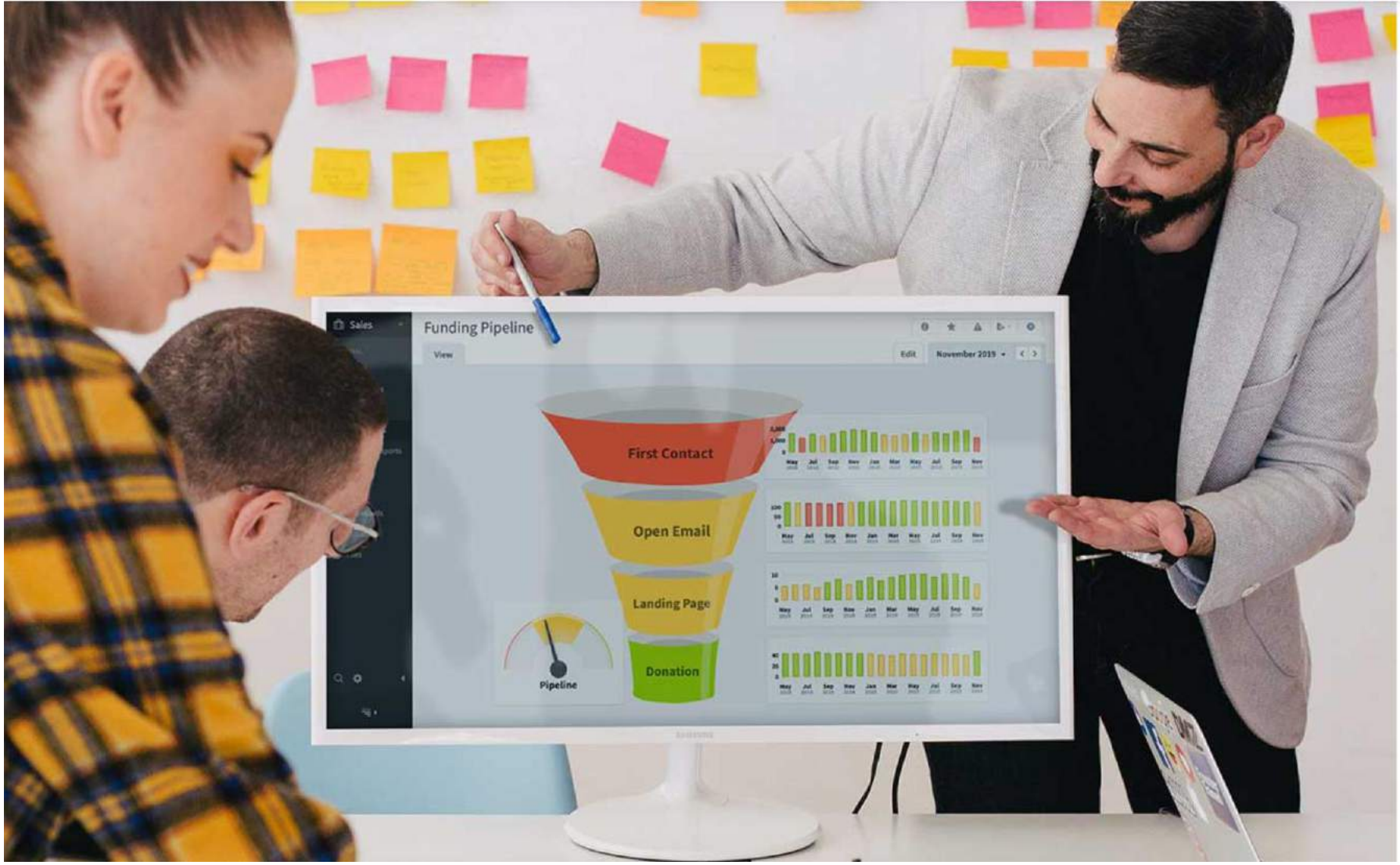
Raw Prospect
Qualified Lead
Sent proposal / Quote
Negotiating / Follow-Up
Closure
Service after the Sale

More Video Metrics To Consider

- Video ROI: The Quantitative and Qualitative Metrics You Need to Know
- 5 Ways to Show Your Boss the ROI of Video Marketing
- Maximize Video ROI: 11 Clever Ways to Repurpose Webinar Content
- 5 Wistia Features to Help Growth Marketers Drive Video ROI
- How to Track Video Metrics and Performance with Analytics
- Google Analytics Tools to Help You Measure Video ROI

Source: www.wistia.com

More Sales / Pipeline Metrics To Consider



- ❑ First Contact
- ❑ Open Email
- ❑ Landing Page of Website
- ❑ Action Taken

Customer Satisfaction Metrics

To Consider

- **Customer Satisfaction Ratings (CSAT)**
  - **How was the experience with us, good or bad and why?**
- **Customer Effort Score (CES)**
  - **How easy was it to resolve the issue on 7 point scale?**
- **Net Promoter Score (NPS)**
  - **How likely are you to recommend us to someone you know?**
- **Social media and churn metrics**
  - **Sorry you are leaving us. Please help us improve by taking a 2 minute survey**

PR-015910_design_r1.1_as.pdf (d26a57ydsghvgx.cloudfront.net)

Source: Zendesk

15 KPIs for small-medium sized businesses to consider

1. Net Profit
2. Net Profit Margin
3. Gross Profit Margin
4. Quick Ratio
5. Customer Acquisition Costs
6. Monthly Recurring Revenue
7. Customer Satisfaction
8. Website Traffic/Interaction
9. Social Media Engagement
10. Number of Customers
11. Net Promoter Score
12. Customer Complaints
13. Employee Satisfaction
14. Employee Retention Rate
15. Energy Consumption

Source: intrafocus

[Top 15 KPIs for Small Businesses - Intrafocus]

How often
do we need to update and review
the dashboards
with the team?

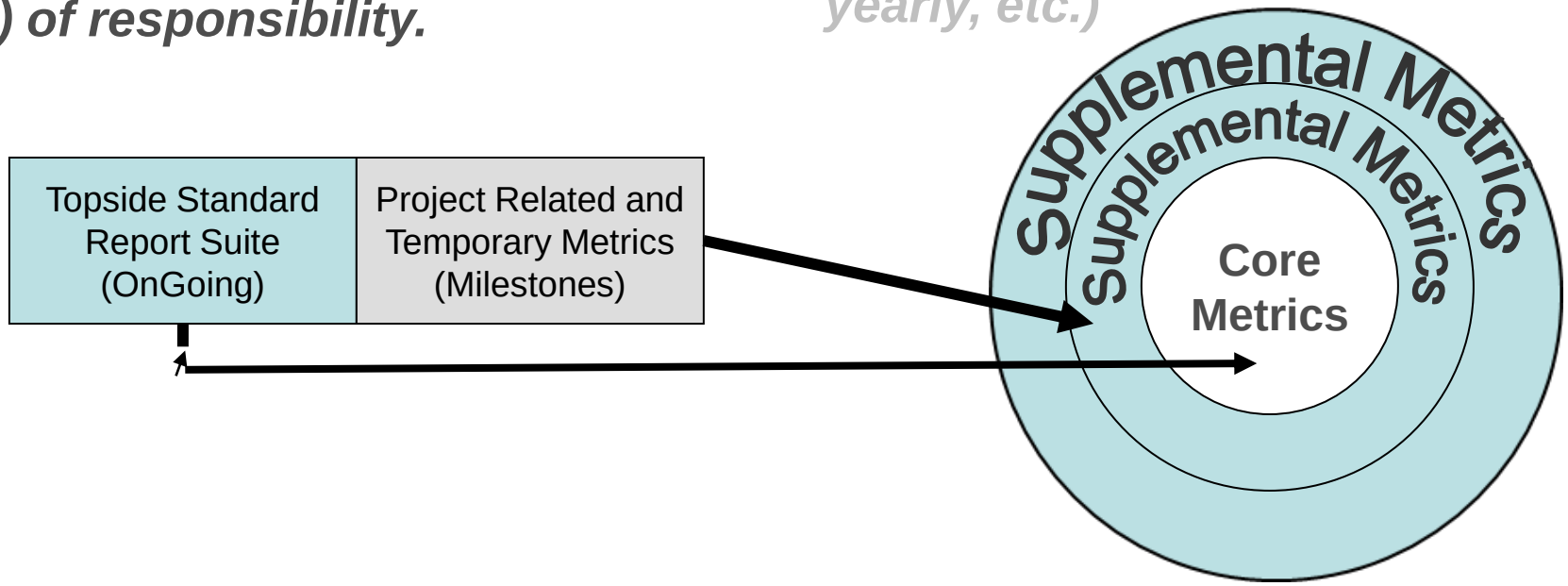
Scorecard use implies 2 Processes – *One is regular reporting !*

REPORTING

Definition: ***a process by which stakeholders in the company collect, synthesize and periodically report out to management, information required to communicate status in their area(s) of responsibility.***

STEWARDSHIP

Definition: ***a process and frameworks to guide the formal comparison of actual metric data to planned projected performance targets for the same period of time (monthly, quarterly, yearly, etc.)***



Ask: "What is a Relevant Report Package? "

Ask: "How often should we compare actuals to targets?"

The *Frequency* of the Stewardship development of your dashboard, and the preparation for Reporting the "story" the numbers are telling you, *are dependent on a mix of factors:*

- *Industry vertical / type of business*
- *type of metric*
- *root source of the data*
- *manual extraction / data entry vs automated tech integration*
- *relevance of the rate of change over time*
- *staffing*
- *pace / tempo of the business*
- *other factors*

Anchor reader with Date of Report

Full Year Actual Results

Full Year Projected Plan

Current Quarter

Frequency

Performance Indicator

Updated: (DATE HERE)

Proposed Measure	Type: Lead, Lag, Milestone, Other	Frequency of Report	2021 Actual	2021 Results Current Quarter	2021 Results YTD Status	2021 Full Year Plan	2021 Percent of Plan	Performance Indicator	Metric Definition
Safety									How is the metric calculated ?
Incidents in Taproom (damage or otherwise)	Lag	Q	0	0	0	0	100		1 (no $ or personnel damage)
Revenue related Metrics									
Lake Ridge Gross Sales	Lag	Q	300,000	25,000	30000	400,000	8%		in $ USD
Potomac Mills Gross Sales	Lag	Q	300,000	25,000	30000	400,000	0%		in $USD
		Milestone	NA			15-Apr	100		
		Milestone	NA			15-May	100		
		Milestone	NA			TBD	0%		
Beer Production Metrics									
		Q				14	0%		
		Q	na			1.8	0%		
		Milestone	NA			16-Apr	100%		
		Milestone	NA			TBD	0%		
Marketing Related Metrics									
Advertising Spend	Lead	Q	12000	3500	4000	12000	33%		
		Q	NA			2	0%		
		Milestone	NA			26-Feb	100%		
		Milestone	NA			TBD	0%		
Cost Related Metrics									
Taproom COGs		Q	0			1	0%		
		Q	NA			0.5	0%		
		Milestone	NA			22-Mar	100%		
		Milestone	NA			18-Apr	100%		
		Milestone	NA			TBD	0%		
Customer Experience Related Metrics									
Positive Customer Review (a simple count from XY Source)		Q							
Negative Customer Reviews (a simple count from XY source)		Q							

Illustrative Scorecard In Development

Weekly sales performance metrics

Call/Contact volume

Percentage of appointments set

Lead response time

Monthly sales performance metrics

Number of Marketing qualified leads (MQL)

Business Development Representative (BDR) capacity

Account Executive (AE) capacity

Win rate

Quarterly sales performance metrics

Acquisition cost

Lifetime value (LTV)

“Magic number”

Illustrative

How might we test to see if our Dashboard is providing us insights?
…making a difference ?

Is there a “rubric” to follow and use?

Start with one KPI

Look for insights

Create a hypothesis

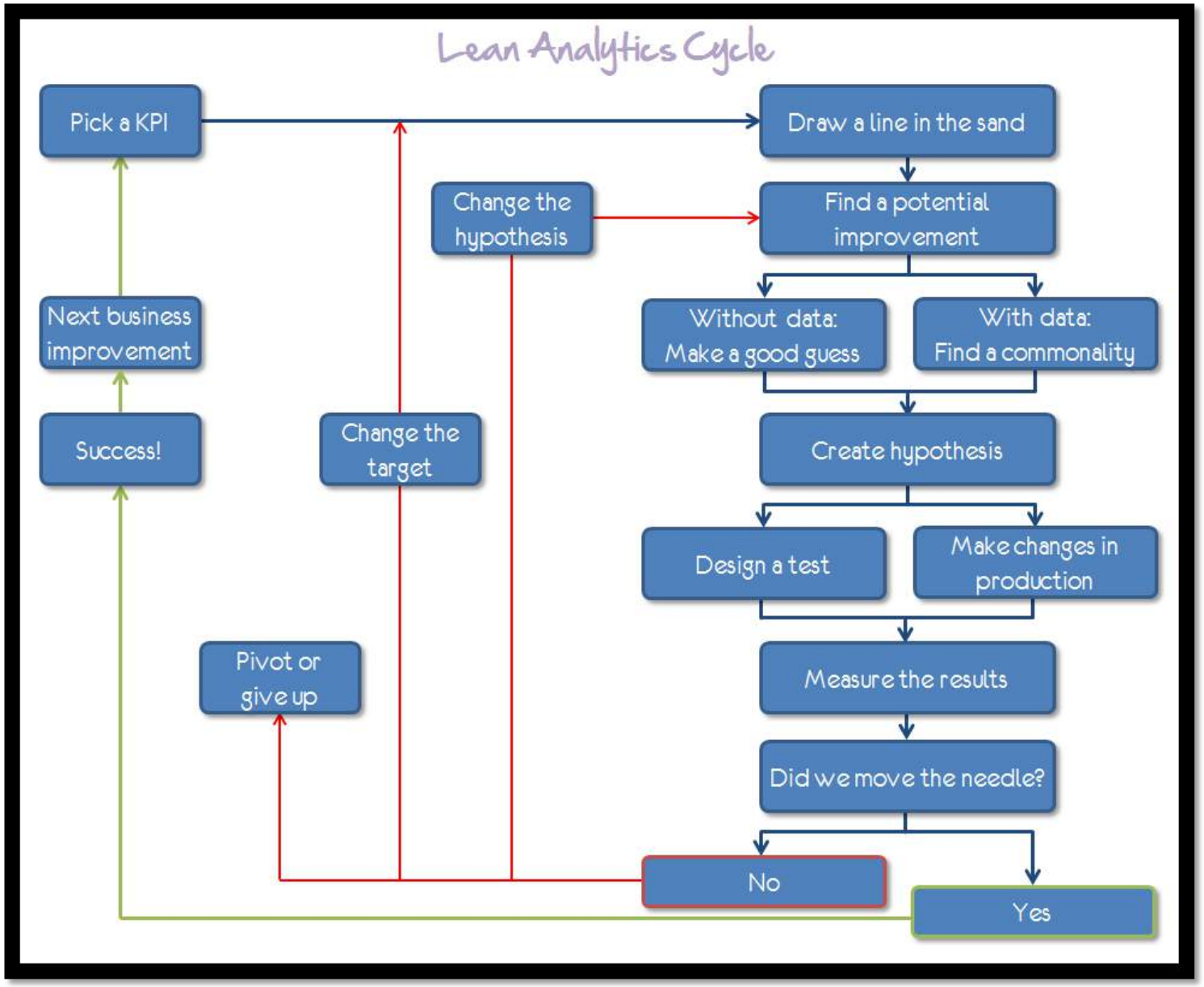
Design a “test”

Measure results

Pivot, change the “test”, change the hypothesis

See results

Go to next KPI (or KPIs)



Are there ways to benchmark my performance metrics?

Benchmarking as a Point of Performance Comparison

vertical IQ

Breweries

NAICS: 312120
SIC: 2082

prepared January 6th, 2021

Table of Contents

1. Coronavirus Update
2. Industry Structure
3. How Firms Operate
4. Industry Trends
5. Credit Underwriting and Risks
6. Industry Forecast
7. Working Capital
8. Capital Financing
9. Business Valuation
10. Financial Benchmarks
11. Quarterly Insight
12. Call Prep Questions
13. Industry Terms
14. Web Links
15. Related Profiles

Financial Benchmarks

The following financial benchmark data is based on annual financial statements submitted by member institutions of the Risk Management Association from Q2 of the first year listed through Q1 of the following year.

Financial Ratios (Breweries, Industry-wide)

MEASURE	2017-18	2018-19	2019-20
Current Ratio	1.17	1.29	1.36
Quick Ratio	0.55	0.69	0.59
Days Inventory	57.0	57.0	76.0
Days Receivables	21	23	14
Days Payables	29.0	35.0	31.0
Pre-tax Return on Revenue	3.59%	3.82%	4.66%
Pre-tax Return on Assets	3.63%	4.06%	7.84%
Pre-tax Return on Net Worth	8.14%	9.16%	34.75%
Interest Coverage	6.06	7.19	6.29
Current Liabilities to Net Worth	0.44	0.47	1.02
Long Term Liabilities to Net Worth	0.8	0.79	2.41
Total Liabilities to Net Worth	1.24	1.26	3.43
Number of Firms Analyzed	*210*	*214*	*168*

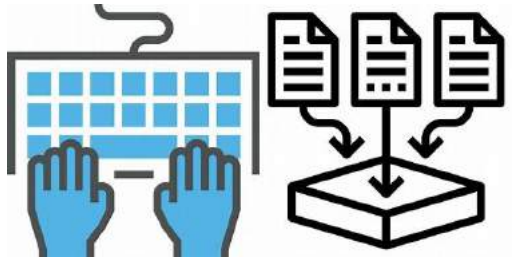
Income Statement (Breweries, Industry-wide)

ITEM	2017-18	2018-19	2019-20
Revenue	100.0%	100.0%	100.0%
Cost of Sales	47.93%	45.1%	45.31%
Gross Margin	52.07%	54.9%	54.69%
Officers Compensation	1.62%	1.66%	2.21%
Salaries-Wages	9.97%	10.94%	11.04%
Rent	0.98%	1.14%	1.22%
Taxes Paid	7.63%	7.73%	7.43%
Advertising	10.12%	11.82%	13.18%
Benefits-Pensions	2.26%	2.4%	2.38%
Number of Firms Analyzed	*210*	*214*	*168*

What actionable insights
can Dashboards
provide us?

Typically, what actions can we take based on the dashboard metrics and insights

Let us understand how strategy is developed first



Collect Data → Spot "Fact Patterns" → Interpret Trends, "Outliers"

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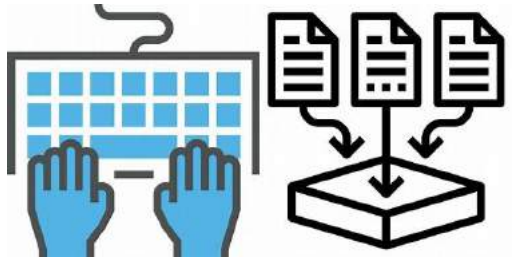

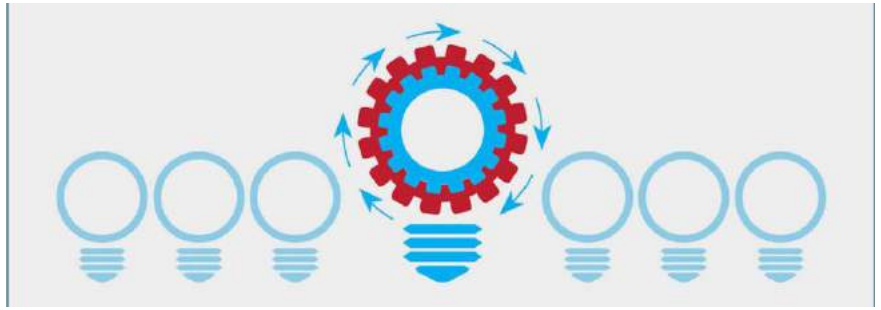

Collect Data → Spot "Fact Patterns" → Interpret Trends, "Outliers" → "Harvest", Identify Insights → Identify Implications → Understand Cause & Effect, Consequences

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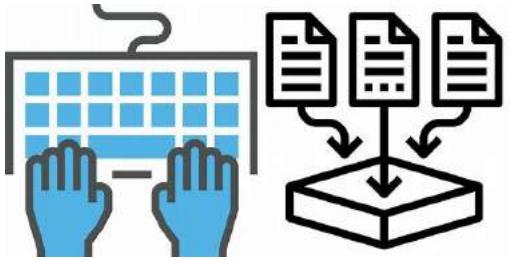

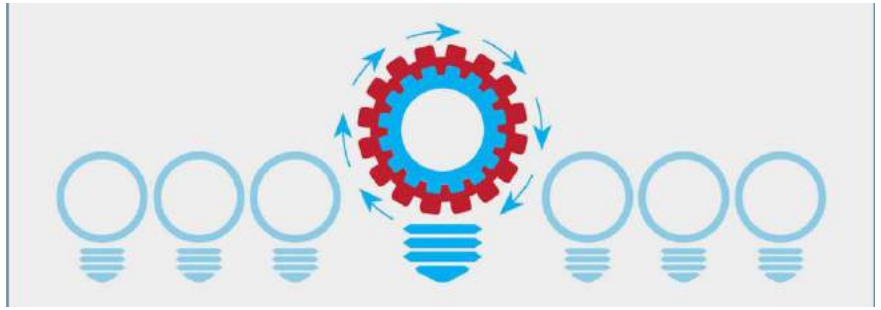

Collect Data → Spot "Fact Patterns" → Interpret Trends, "Outliers" → "Harvest", Identify Insights → Identify Implications → Understand Cause & Effect, Consequences → Discuss Options → Make Choices / Path → Take Action, Execute, Measure

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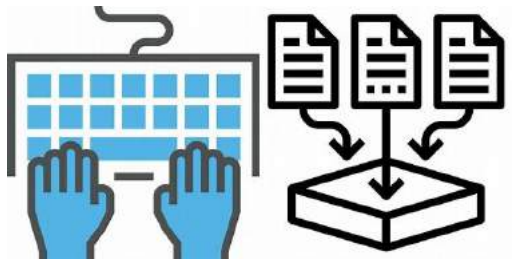

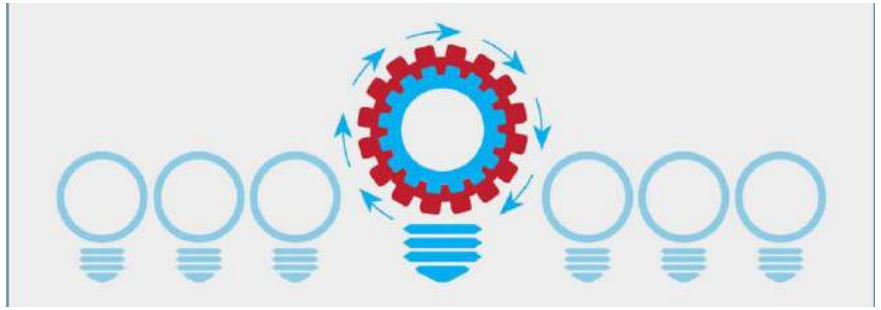

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Interpret Trends, "Outliers"

"Harvest", Identify Insights

Identify Implications

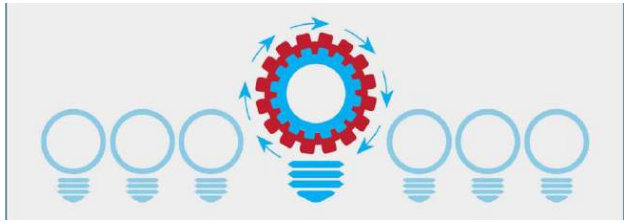
Understand Cause & Effect, Consequences

Discuss Options

Make Choices / Path

Take Action/Execute

TIP ?: Start with a aspirational target(s) in at least one to three key aspect of your business !



Target a 1% Improvement

"Harvest", Identify Insights

Identify Implications

Understand Cause & Effect, Consequences

How have Dashboard / Scorecard / Business metrics have led to *the* *solution*” ???

Actual examples of how data insights via dashboards influenced small changes that made a big difference

How Dashboard / Scorecard / Business metrics have led to *the "1% solution"*
Examples of how insights influence small changes that often make a big difference

1. Understand Price Elasticity - a 1% price increase on select products could lead to a significant revenue impact + or -

- Appropriate price increases for all or select products and services; watch impact of price on margin

2. Track sales growth – a 1% increase in sales can lead to a significant increase in growth and net profit

- Sell more goods and services

3. Identify Cost of Goods Sold (COGS) by product SKU – a 1% decrease in COGS drops to the profit bottom line

- Negotiate better prices with suppliers; change your product and service mix; fewer SKUs, other

4. Obtain Clarity on actual monthly operating expenses vs plan ; seasonality impacts ; a 1% reduction impact profit

- Make room for intern compensation, affordably adding to interim staff

5. Get Visibility into Day Sales Outstanding / terms; 1% improvement can have a positive cash flow impact

- Pivot to Direct to Consumer e-Commerce Solutions for faster collection on part of the offering

6. ***Calculate Cost of Customer Acquisition (by channel); 1% improvement per channel can conserve precious resources***

- Identify the optimum multi-channel sales marketing and channel strategy relevant to your sales pipeline

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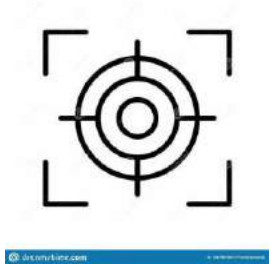
Summary of Benefits of Performance Metrics for Business

- **Clarity:**
  - clarify what needs to be achieved and how progress will be measured
- **Focus:**
  - help businesses to focus their efforts and resources on the most critical tasks
- **Alignment:**
  - align with the business's overall goals and objectives, ensuring everyone is working towards the same targets
- **Motivation:**
  - can motivate employees, as they provide a clear roadmap for achieving success
- **Evaluation:**
  - provide a clear framework for evaluating performance and identifying areas for improvement



After this webinar, how can I schedule an appointment
with an SBDC Senior Business Counselor
to help me build
a first draft of a business dashboard and scorecard
for my business?

Seeking our ***NO-COST*** Business Assistance?

George Siragusa
Senior
Business
Adviser

https://www.linkedin.com/in/georgesiragusa/

Mason SBDC
10306 Eaton Place
Suite 180
Fairfax, VA 22030
(703) 261-4105

Register at Our Website:

www.masonsbdc.org

- **Resources:** **https://www.virginiasbd.org/**
- **Contacts**: help@masonsbdc.org or (703) 261-4105
- **1:1 Counseling:** https://clients.virginiasbdc.org/reg.aspx?mode=counsel&center=46110&subloc
- **Workshops:** https://masonsbdc.org/workshops/

Hopefully now, you are more familiar with the answers to these questions:

- ✓ Common Language with Shared Understanding
- ✓ Definitions of a Business Management "Dashboard" or "Score Card
- ✓ What these Dashboards look like
- ✓ Why a "Scorecard" or "Dashboard" is important ; what are the benefits to business
- ✓ Categories of key indicators beside financials metrics included on dashboards
- ✓ Guiding principles useful to review before building a first draft business scorecard
- ✓ Understanding all size businesses typically need Scorecards or Dashboards
- ✓ How to get started on your scorecard wand how small business owners build these themselves
- ✓ What metrics we should begin with on our first draft
- ✓ What tools, software, or other resource are available that make developing scorecards easy
- ✓ How I might use metrics with the business team with scheduled stewardship and reporting
- ✓ Frequency to update and review the dashboards with the team
- ✓ Understand the insights that Dashboards provide
- ✓ The type of actions we can take based on the dashboard metrics and insights to make a positive impact

And…

- ✓ How I schedule an appointment with the MSBDC to get help building a first draft of a business dashboard

Participant Engagement!

Pause for final Questions

"Coaches' Corner"

Give Us Your Feedback!

Performance Metric Case Studies

Case Study 1: A Triumph of KPI Alignment

“TechGrow,” a tech company eager to expand its market share. They wanted to grow their customer base by 25% in one year. To do this, they needed clear KPIs.

TechGrow set up a KPI to track new sign-ups every month. This KPI was SMART: specific to their goal, measurable by numbers, achievable with their resources, relevant to their growth aim, and time-bound within the year.

They also kept an eye on customer feedback scores. This wasn’t just about getting more customers but keeping them happy, too. So, another KPI tracked the average support ticket resolution time.

Here’s what they did well:

- They ensured their whole team knew about the KPIs and how each person could help meet them.
- They had monthly check-ins to see how they were doing against their KPIs.
- When they saw one KPI wasn’t moving as expected, they were quick to figure out why and fix it.

By the end of the year, not only had TechGrow hit their customer growth target, but their customer satisfaction had also gone up.

Their KPIs were the stars of the show, shining a light on where to go and what to fix along the way.

Case Study 2: Use of Data

“HealthFirst,” a healthcare provider who wanted to use KPIs to give better care and improve their services. Their main goal was to reduce patient waiting times by 15%. To track their progress, they chose a KPI that measured the average time patients spent in the waiting room.

HealthFirst used this KPI to see how they were doing each week. But they didn’t stop at just looking at the numbers. They used this data to make fundamental changes. For example, when they noticed waiting times were extended because of too few staff at peak times, they changed the staff schedules.

They also set up a KPI for patient follow-ups. They wanted to ensure patients were called for a check-up within a week after their visit. This helped them care for patients even after they left the clinic.

What HealthFirst did well was:

- They chose KPIs directly linked to their primary goal: better patient care.
- They checked their KPIs regularly and used what they learned to make decisions.
- They ensured everyone on their team understood the KPIs and knew how to help reach them.

By the end of their project, HealthFirst didn’t just meet their goal – they beat it.
Patient waiting times were down by 20%, and their follow-ups were better than ever.

Their story shows us that when you take action based on what KPIs tell you, you can make things better.

Other Related Resources:

- White paper: Accelerate Business Growth and Outcomes with AI | The Cognizant Nordic Blog
- What Happens When You Align Culture With Strategy (forbes.com)
- Mastering the connection between strategy and culture (strategy-business.com)
- Linking Business Strategy and Leadership for Better Outcomes | CCL
- 6 Principles to Build Your Company's Strategic Agility (hbr.org)
- Use Data to Accelerate Your Business Strategy (hbr.org)

How To Accelerate Strategic Change (forbes.com)

- Embedding Speed and Agility into Strategy Execution - SPONSOR CONTENT FROM PLANVIEW (hbr.org)
- How To Accelerate Strategic Change (forbes.com)
- Top 10 Strategy Books in 2023 | Intrafocus
- Aligning KPIs with Organisational Goals - Intrafocus

Using Dashboards to Bring Strategy to Life
Watch late

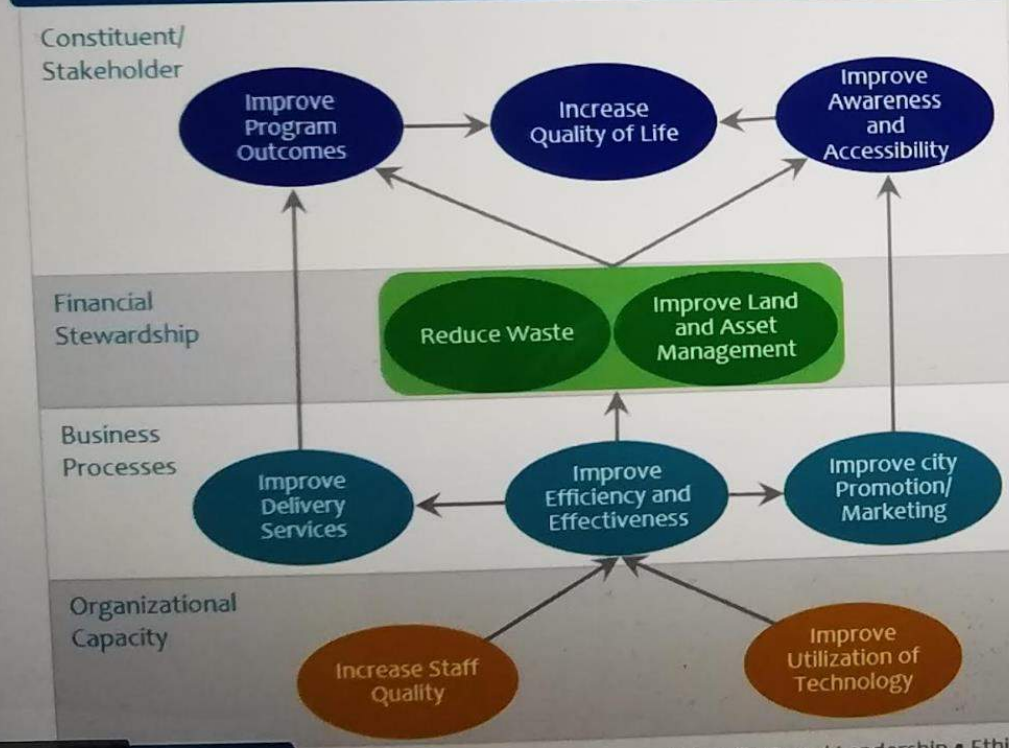
Strategic Planning and Management System Example

BALANCED SCORECARD INSTITUTE

Vision:	Be a world-class model for a successful urban community
Mission:	Provide effective and fiscally responsible services in a manner that promotes high standards for community life

Strategic Themes:	Government Reform	Nurturing Children and Families	Public Safety	Economic Abundance
Strategic Results:	Maintain an ethical and transparent government that engages its constituents and provides effective and efficient services.	Create a safe, thriving and engaged community so families can flourish through achievement of social, mental, pyshical and cultural well-being.	Create and maintain a safe, secure community-oriented city that is clean and vibrant.	Offer abundant opportunity for financial stability and advancement for all socio-economic levels.

Strategic Objectives and Strategy Map



Measures	Targets	Initiatives
• Livability satisfaction score	• >90% this year	• Green Space program • New business startup program • Community engage committee • Partnering program
• Program satisfaction score	• >85% this year	
• Per capita service utilization	• 65% this year	
• Business permits and licenses	• ↑9.5% each quarter	
• Per capita income	• ↑3% this year	
• Tourism revenue	• ↑6% this year	
• Controllable expenses	• ↓5% this year	• Simplify tax payments • Asset resale program • Energy savings program
• Asset value	• ↑8% this year	
• Strategic projects on time and budget	• 95% this year	
• Index of program results	• 85% this year	• Partner recruitment program • City marketing program • Satisfaction surveys
• Shared systems	• 35% this period; 50% this year	
• Response time changes	• ↑5% this period	
• Audit score of communication effectiveness	• >90% this period	
• Recruitment effectiveness	• > 80% this period	• Customer service training • Individual development plans • Program evaluation process
• Retention effectiveness	• 92% this year	
• Training effectiveness	• >93% this period	
• Employees use of appropriate technology	• ↑45%	

ore Values: • Integrity-Based Leadership • Ethics • Accountability• Commitment to Excellence • Citizen-Centered • Mutual Respect

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MORE VIDEOS

Leading Indicator:

- An indicator of performance that might predict future success.

Examples:

- User guide usage
- Calories per day
- Using safety equipment

Lagging Indicator:

- An indicator of *past* performance that measures how we performed.

Examples:

- Customer satisfaction
- Weight
- Number of deaths

Avoiding KPI Alignment Pitfalls

avoiding these common pitfalls can save time, effort, and resources.

1. **Too Many KPIs:** It's tempting to track everything, but having too many KPIs can spread efforts thin and dilute focus. It's crucial to zero in on a few pivotal metrics that drive organisational goals.

2. Vague KPIs: "Increase sales" sounds like a worthy objective, but it's too ambiguous. Instead, a more precise KPI like "Increase quarterly online sales by 10%" provides clarity and direction.

3. Ignoring the Human Element: While data is vital, it's essential not to overlook the human aspects. For instance, pushing for a higher number of customer service calls per hour might impact the quality of service, leading to dissatisfied customers.

4. Not Reviewing KPIs Regularly: The business world isn't static. What worked a year ago might not be relevant today. Reviewing and adjusting KPIs regularly ensures they align with evolving organisational goals.

5. Setting Unrealistic Targets: KPIs should be challenging but attainable. Setting the bar too high can demoralise teams while setting it too low might not push them enough.

6. Not Communicating Clearly: If teams don't understand the KPIs or see their relevance, they're less likely to engage fully. Open and ongoing communication is vital to ensure everyone's onboard.

7. Over-relying on Quantitative KPIs: While numbers are essential, qualitative KPIs, like customer satisfaction or employee morale, also play a significant role in an organisation's success.

By being aware of these potential missteps, organisations can navigate the intricate process of KPI alignment more effectively. Remember, the goal isn't just to align but to do so in a manner that's holistic, inclusive, and adaptable to change.