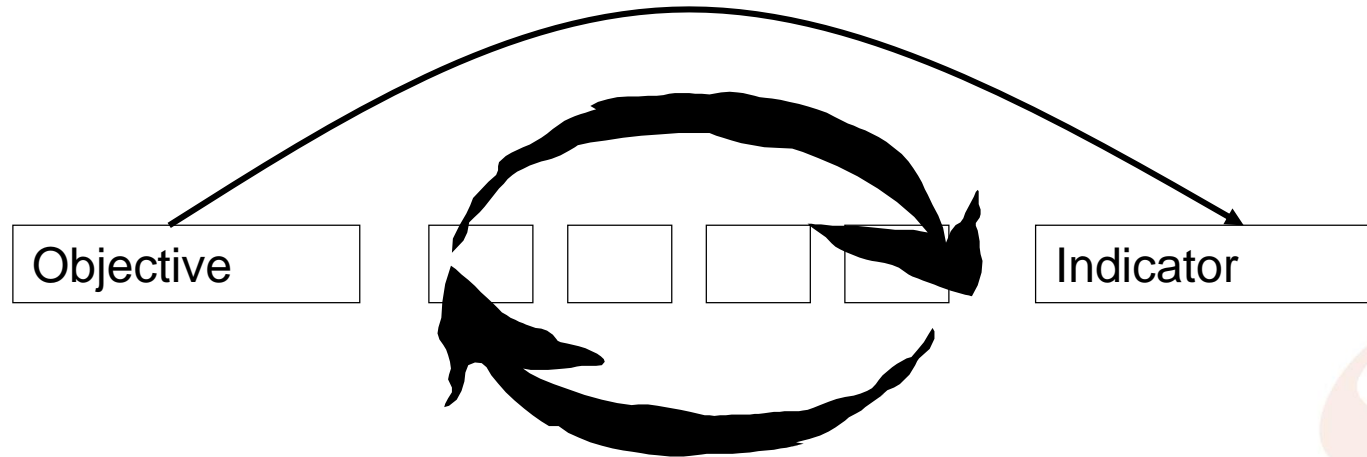


# **Approach to developing performance indicators**

*Information pack*

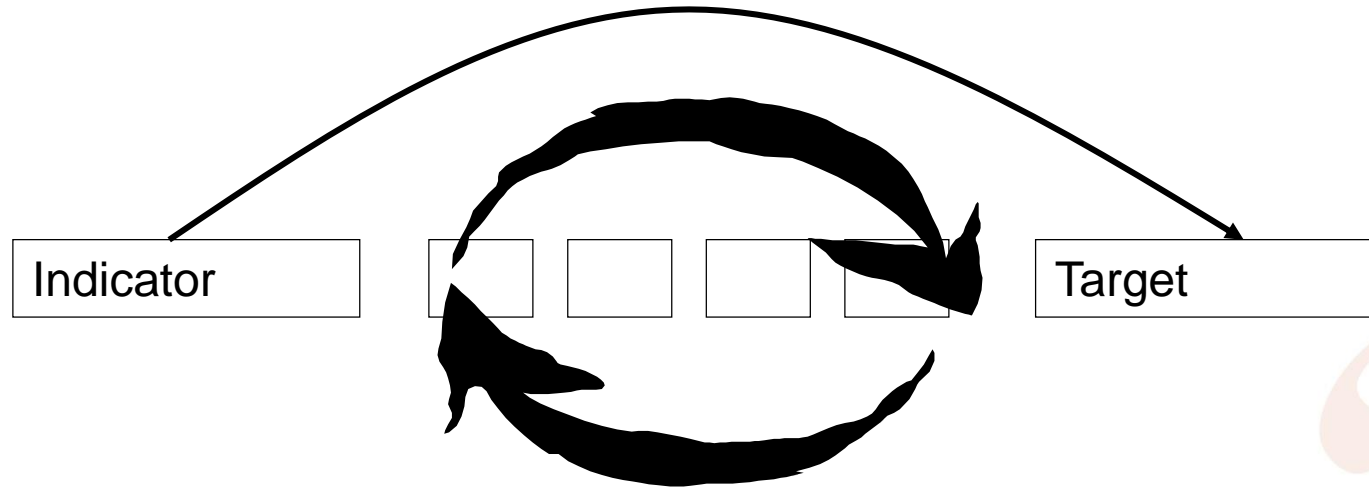
# Steps in developing indicators – Part I



1. Articulate the objective
2. Understand what we mean by it
  - Explore the outcomes [i.e. describe achievement]
3. Generate ideas / options for measurement
4. Select performance indicators [based on a criteria]

*It is exploration*  
*It is messy*  
*It is iterative*

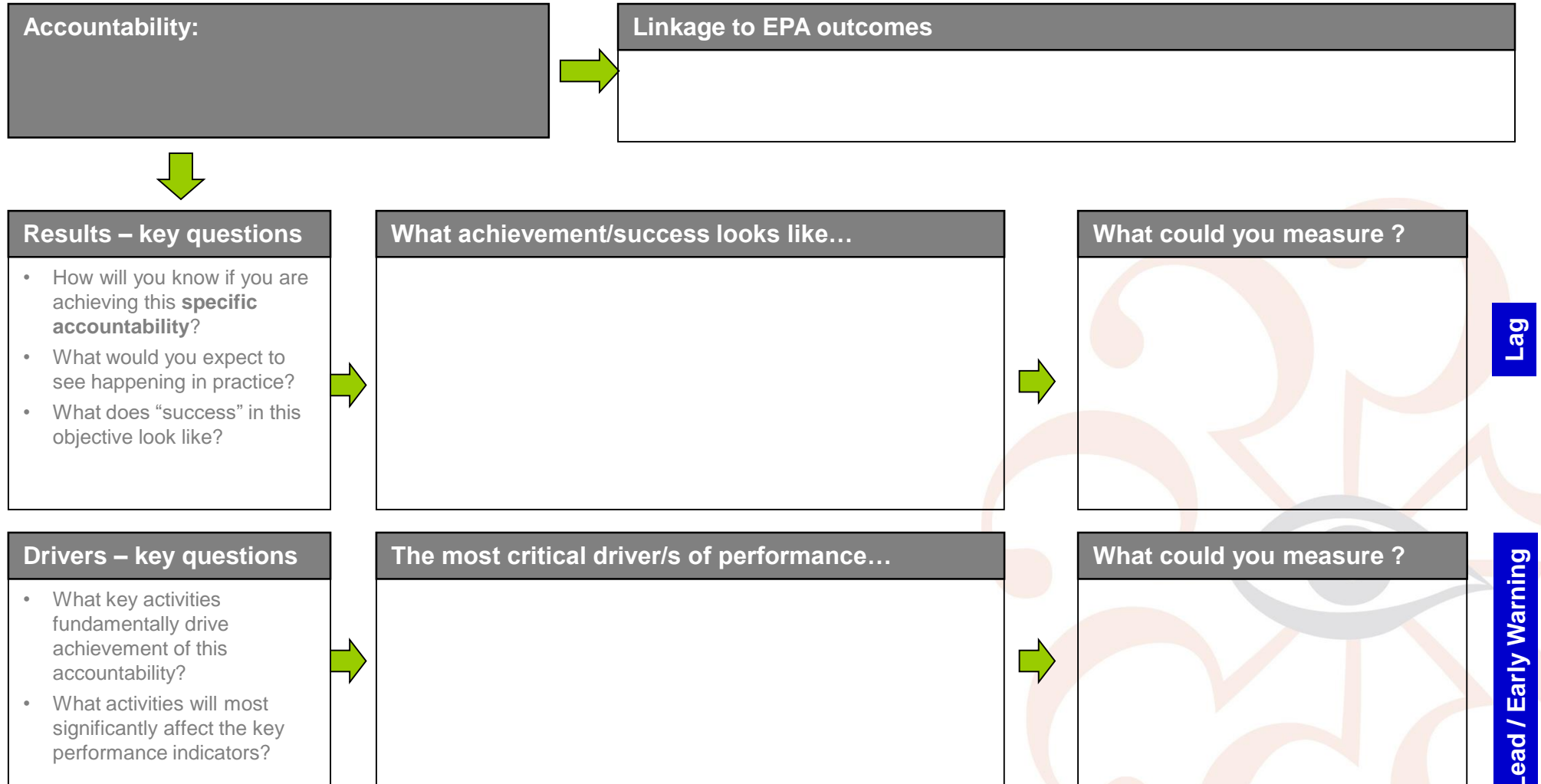
# Steps in developing indicators – Part II



5. Identify the data collection mechanism
6. Design data collection processes / instruments
7. Implement and commence measurement
8. Set targets

*What you measure  
& how you measure it [the mechanism]  
are 2 different things*

# Developing performance indicators - process



# Developing performance indicators - example

**Accountability:**  
Strong, trusting relationships with key stakeholder groups

Linkage to EPA outcomes

**Results – key questions**

- How will you know if you are achieving this **specific accountability**?
- What would you expect to see happening in practice?
- What does “success” in this objective look like?

**What achievement/success looks like...**

- High levels of trust in business relationships
- Stakeholders/contractors etc are willing to invest time in developing positive relationships
- Few (if any) ‘difficult’ relationships
- Regular feedback on quality of relationships being exchanged and acted upon
- There is resilience in the relationship that transcends individual personalities and style

**What could you measure ?**

- % of key stakeholders who rate quality of relationship as good or better
- # of instances of improvements resulting from stakeholder feedback
- # of disputes resulting from poor relationships
- # of times invited to participate in strategic discussions

Lag

**Drivers – key questions**

- What key activities fundamentally drive achievement of this accountability?
- What activities will most significantly affect the key performance indicators?

**The most critical driver/s of performance...**

- Relationship management plans for key business relationships
- Targeted relationship building activities
- Build relationship management skills and behaviours

= Pls worth considering

**What could you measure ?**

- % of relationship mgt plans developed
- % deployment of relationship mgt plans
- % of staff assessed as competent in relationship management

Lead / Early Warning

# Validation criteria for performance indicators

- ✓ Does the indicator reflect the importance of this objective and have a significant **impact** on performance?
- ✓ Is it **realistic** to obtain data for this indicator? [ability to measure]
- ✓ Does the indicator reflect results that are **controllable**?
- ✓ Does the indicator have a positive impact on **behaviour**?



# Indicators matrix – impact/ease of measurement

Ability to measure	EASY	Only useful if there are no other alternatives for this objective Probably shouldn't be measuring it	<b>Most likely MOPs / KPIs</b>
	HARD	Not worth the effort	Consider cost / benefit Second phase of implementation
		LOW	HIGH

Impact

# Example PI information pro-forma

Objective Information			
Objective			
Related community outcomes			
Definitional details			
Performance Indicator (PI)			
Purpose			
Details	Unit of measure		Frequency
Performance Indicator definition/ formula			
Data generation process/source of data			
Responsibilities			
Management sponsor of PI			
PI coordinator			
Reporting			
Format			
Target			
Basis for target			

