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| **KPI** | **Strategic Objective** | **Precise Definition(s)** | **Unit of Measure** | **Rationale** |
| ***Employee Satisfaction Index*** | Foster a safe, respectful, welcoming, and inclusive workplace environment. | Total number of points divided by the total number of questions (Marr, 2012). Employee satisfaction surveys will be administered on a regular basis, assessing such areas as “leadership and direction, communications, ‘local’ line management, staff development opportunities, company working culture, facilities and environment, and conditions of service,” (p. 266) according to Marr (2012); moreover, their scoring will be based on 1 = very dissatisfied/5 = very satisfied and 1=strongly disagree/5 = strongly agree (Marr, 2012). | Score ranging from 1 to 5 inclusively | It is critical to maximize employee satisfaction to retain employees (prevent quitting) to reduce costs in hiring/training new employees, esp. due to the recent labor shortage issues caused by the COVID-19 pandemic and lower employee satisfaction. “Employee satisfaction is the terminology used to describe whether employees are happy and contented and fulfilling their desires and needs at work,” (p. 265) according to Marr (2012). |
| ***Employee Churn Rate*** | Prevent employees from willfully leaving the company and working elsewhere. | Percentage of employees lost vs. total number of employees over a selected period (of time) (Marr, 2012). | % | It is critical to retain employees to reduce costs in hiring/training new employees, esp. due to the recent labor shortage issues caused by the COVID-19 pandemic and lower employee satisfaction. |
| ***Average Employee Tenure*** | Maximize the ROI of employee base. | Sum of all tenures divided by the number of full-time employees (Marr, 2012). | Years | It is critical to retain employees to reduce costs in hiring/training new employees, esp. due to the recent labor shortage issues caused by the COVID-19 pandemic and lower employee satisfaction. Moreover, “long tenure will generally help to reduce recruitment and training costs,” (p. 281) according to Marr (2012). |

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| **KPI** | **Strategic Objective** | **Precise Definition(s)** | **Unit of Measure** | **Rationale** |
| ***Order Fulfillment Cycle Time (OFCT)*** | Increase and/or maintain effectiveness and efficiency of food preparation and delivery processes. | Average “amount of time from customer authorization of a sales order to customer receipt of the product,” (p. 193) according to Marr (2012); more specifically, OFCT will be the length of time from input of order to delivery of order to customer based on timestamps. | Minutes | A crucial part of fast-food restaurants’ mantra is to deliver food orders at fast, record speeds, thus requiring streamlining of the order-taking and food-making process. Meeting customer demands of delivering quality food at a quick pace ensures customer retainment and continued generation of sales revenue. |
| ***First Pass Yield (FPY)*** | Fully meet customer demands consistently in terms of food specifications and quality. | Percentage of number of non-defective orders divided by the total number of orders (Marr, 2012). | % | “Companies aim to optimize their internal processes to reduce defect rates and minimize any rework,” (p. 229) according to Marr (2012). Defects result in dissatisfied customers and re-work costs time and money for the company, thus reducing operational efficiency. High employee turnover, lowly paid employees, and harsh work environments can increase the number of defects that occur. |
| ***Quality Index*** | Ensure food quality meets/exceeds both customer and company standards. | Comprised of the following five equally weighted measures: First Pass Yield (FPY); Order Delivery, Quality; OFCT; customer satisfaction index; and customer complaints. Since every measure will be measured by scores ranging from 1 to 5, FPY, OFCT, and customer complaints will be redefined accordingly with varying assigned thresholds of performance to each score, i.e., 1, 2, 3, 4, & 5. | Average score ranging from 1 to 5 inclusively | First Pass Yield (FPY) - generally measures how many customer orders are non-defective vs. defective; Order Delivery, Quality (quality of customer orders as determined by relevant customer survey information); OFCT - accounts for the time it takes from the customer fully placing an order to the customer receiving the order; customer satisfaction index (it measures general customer satisfaction/dissatisfaction); and customer complaints (to focus more so on customer dissatisfaction). |

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| **KPI** | | **Strategic Objective** | **Precise Definition(s)** | | | **Unit of Measure** | **Rationale** |
| ***Customer Profitability Score*** | | Focus efforts on identifying customer types/segments and improving their sales revenue. | “Difference between the revenues earned from and the costs associated with the customer relationship in a specified period,” (p. 104) according to Marr (2012). | | | $ | “By satisfying the needs of customers . . . organizations can make a profit and therefore grow and prosper,” (p. 103) according to Marr (2012). Moreover, companies should make efforts “to move loss-making or break-even customers up the profitability categories,” (p. 105) according to Marr (2012). Customer profitability score measures the level of contributions of customers to the well-being of the company, as well as gauges which customer types/segments the company should expand upon (with targeted marketing) or require additional attention (due to low or no profitability). |
| ***Customer Satisfaction Index*** | | Improve/maintain quality of products/services. | Total number of points divided by the total number of questions (Marr, 2012). Customer satisfaction surveys/interviews will be administered on a regular basis, assessing such areas as “customer expectations, perceived quality, perceived value, customer complaints, and customer loyalty,” (p. 98) according to Marr (2012); moreover, their scoring will be based on 1 = very dissatisfied/5 = very satisfied and 1=strongly disagree/5 = strongly agree. | | | Average score ranging from 1 to 5 inclusively | According to Marr (2012), CSI “is generally perceived as the most indicative non-financial measure of future financial performance,” (p. 97) i.e., the higher the customer satisfaction, the increased likelihood they remain a loyal customer; therefore, the company will perform better financially. “It is significantly more expensive to attract new customers than it is to retain existing ones,” (p. 97) so CSI is an essential metric to monitor/track, according to Marr (2012). |
| ***Customer***  ***Complaints*** | | Ensure customers always get what they demand in terms of products/services offered by identifying/correcting any shortcomings. | Number of customer complaints (Marr, 2012) | | | Number of customer complaints (Marr, 2012) | Typically, customer complaints will mainly involve some issue with a product and/or service. This specific type of customer “can cause significant damage to an organization’s reputation and ability to attract new customers,” (p. 121) according to Marr (2012). On average, a company “needs two satisfied customers for every one that is dissatisfied just to maintain the [company’s] current status,” (p. 122) according to Marr (2012). |
| **KPI** | | **Strategic Objective** | | | **Precise Definition(s)** | **Unit of Measure** | | **Rationale** | |
| ***Revenue Growth Rate*** | | Re-focus efforts to recover revenue growth. | | | Revenue of the selected time period divided by the revenue of the previous time period (Marr, 2012); for the seasonal timeframes of quarters and months, these time periods would be compared on a yearly basis instead. | % | | “The primary driver of ‘making money’ is to grow revenues,” (p. 25) according to Marr (2012). More specifically, Net Profit = **Revenues** – Total Costs. Therefore, this KPI will measure the growth or shrinkage of such revenue. | |
| ***Operating Profit Margin*** | | Increase and/or maintain effectiveness and efficiency of business model via reduced operating costs. | | | Operating Profit Margin = for the selected time period (Marr, 2012). | % | | Operating profit margin “can provide insights into a company’s operating efficiency and pricing strategy,” (p. 17) i.e., “the ratio provides an insight into the profitability of sales generated from regular operations of the business,” (p. 17) according to Marr (2012). A higher operating profit margin signals increased operational efficiency and more dollars per sale being earned by the company (Marr, 2012). | |
| ***Net Profit*** | | Increase profitability, as is standard business practice. | | | **Net Profit** = Revenue – Total Costs (Marr, 2012) over the chosen time period. | $ | | “Net profit (also referred to as net income) typically represents the most important measure of performance,” (p. 3) according to Marr (2012). If the products/services sold by the company do not generate profit, then the business model most likely requires major modifications immediately before the company goes out of business. “Profits can then be reinvested to grow the company (called retained earnings) and used to pay a return to the company’s owners or shareholders (called dividends),” (p. 3) according to Marr (2012). | |