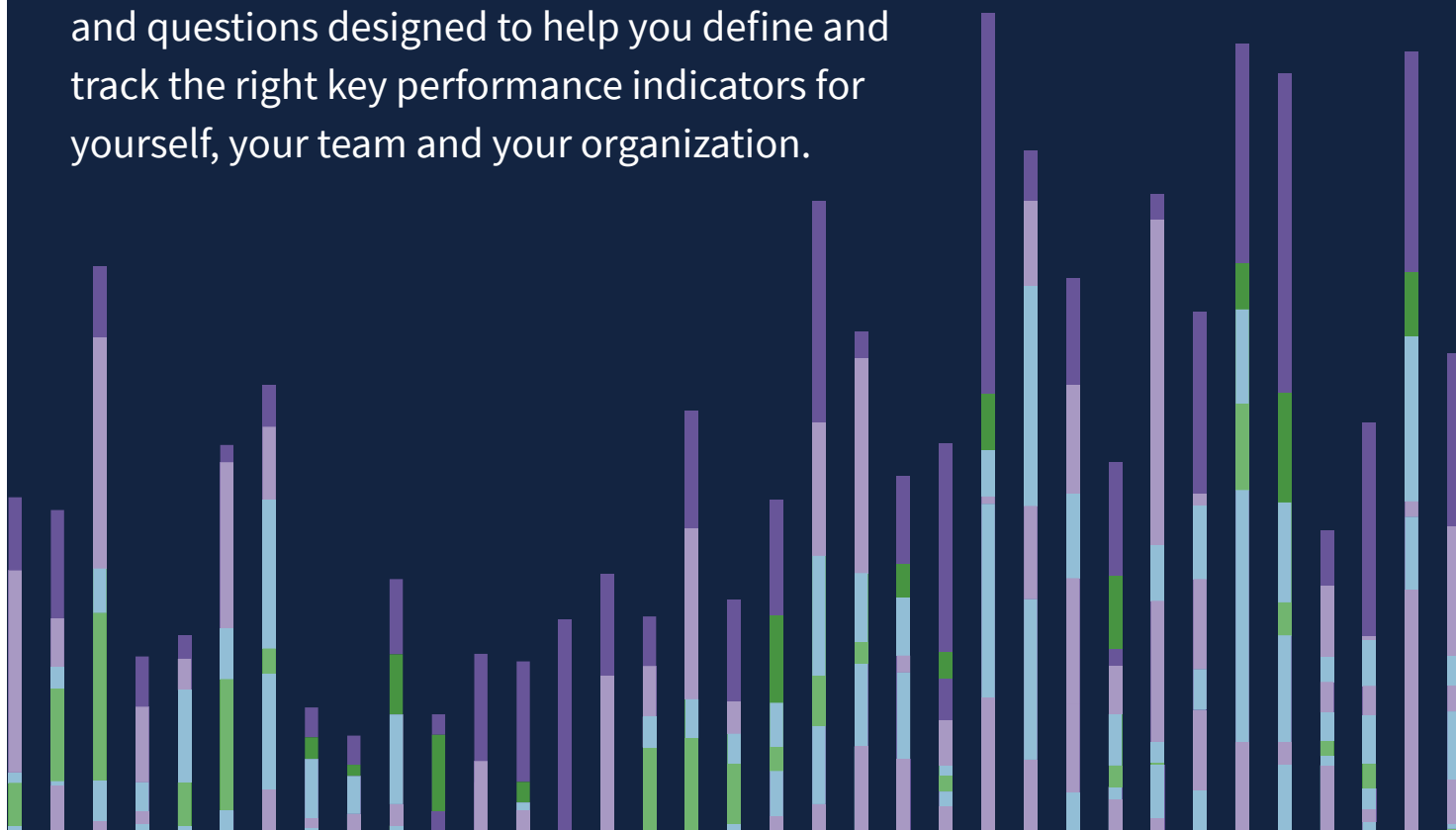


# KPI Planning Guide

This guide provides definitions, practical advice and questions designed to help you define and track the right key performance indicators for yourself, your team and your organization.



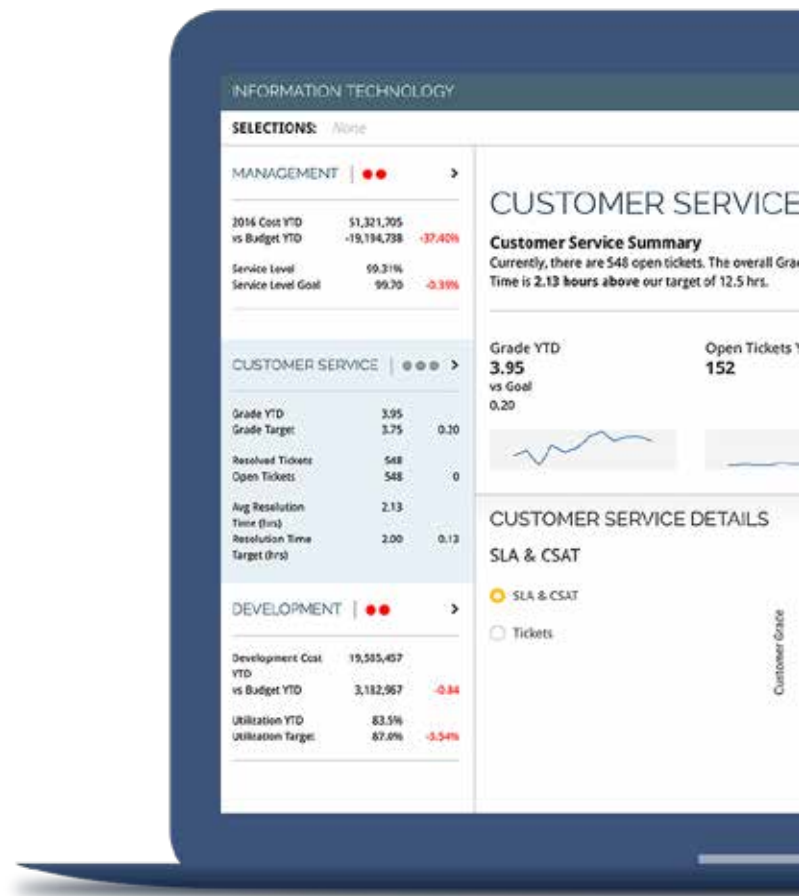
# What is a KPI?

Let's start with the basics. A key performance indicator (KPI) is a quantifiable measure of performance over time for a specific strategic objective. Business leaders and senior executives use KPIs to judge the effectiveness of their efforts and make better informed decisions.

## KPIs vs Metrics

There's often confusion between these two terms. So, what's the difference between a KPI and a metric?

- **KPIs** represent how you're performing against strategic goals. And by goals, we mean specific business outcomes, such as targeted quarterly revenue or targeted new customers per month.
- **Metrics** support KPIs by representing the tactical processes or actions necessary to achieve the KPIs. Metrics track and measure the success against targets for specific actions such as monthly brochure downloads or store visits.



# 10 Steps to Strong KPIs

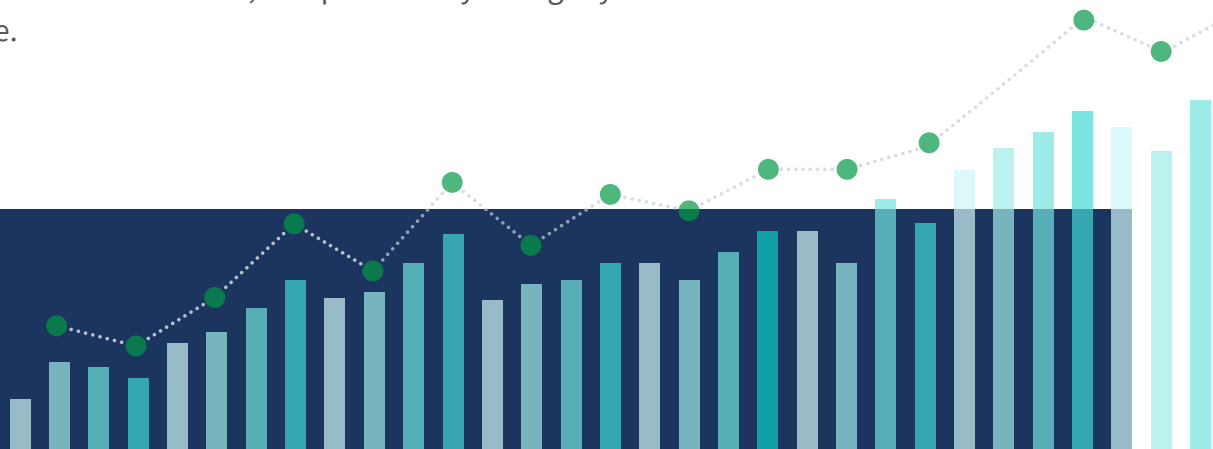
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With so much data available today, you may be tempted to measure everything. But for your KPIs, be sure you **measure what matters**—the strategic objectives that will help you reach the high-level goals of your organization. And, get the right tools in place to **know the “why” behind your KPIs**. Here are the ten steps for developing the right KPIs.



1. **Define how your KPIs will be used.** Be clear about who the audience is for these KPIs and ask them what they want to achieve and how they'll use the KPIs. This will help you develop KPIs which map directly to their goals and strategy.
2. **Tie them to strategic goals.** Your KPIs must relate to what you're trying to achieve in your business overall. While they may be related to a specific function like HR or marketing, every key performance indicator should tie directly back to your overall business goals.
3. **Write SMART KPIs.** The most effective KPIs follow the proven SMART formula: Specific, Measurable, Attainable, Realistic and Time-Bound. Some examples include “Grow sales revenue by 5% per quarter” or “Increase Net Promoter Score 25% over the next three years.”
4. **Keep them clear-cut.** Everyone in your organization should understand your KPIs so they can act on them. When people understand how they're performing against a clear goal, they can make decisions that will move the needle in the right direction.
5. **Have a mix of lagging and leading KPIs.** Lagging indicators help you understand results over a period of time such as sales over the last 30 days. Leading indicators help you predict what might happen based on data, allowing you to make adjustments to improve outcomes.

6. **Avoid KPI overload.** You likely have access to mounds of data and a variety of tools which allow you to measure anything and everything. Steer clear of KPI overload by focusing on only the most impactful measures.
7. **Get your data house in order.** Accurately tracking KPIs requires accurate data. Bring together data from multiple sources across your business to get complete, accurate, and up-to-date information.
8. **Know the “why” behind your KPI.** Pick an analytics or BI tool which allows you to create interactive visualizations and dashboards based on your KPIs. This will allow you to explore and analyze the data behind your KPIs directly within the dashboard itself.
9. **Stay alert and take action.** Modern analytics and BI tools make it easy for you to set up data-driven, real-time alerts based on your KPIs. These alerts help you quickly respond to changes in your business. The best tools go further by enabling your key applications to work with your analytics and trigger automated, event-driven actions based on KPI changes.
10. **Plan to iterate.** As your business and customers change, you may need to revise your key performance indicators. Perhaps certain ones are no longer relevant, or you need to adjust based on performance. Meet regularly to review them, take a close look at performance to see if adjustments need to be made, and publish any changes you make so teams are always up to date.



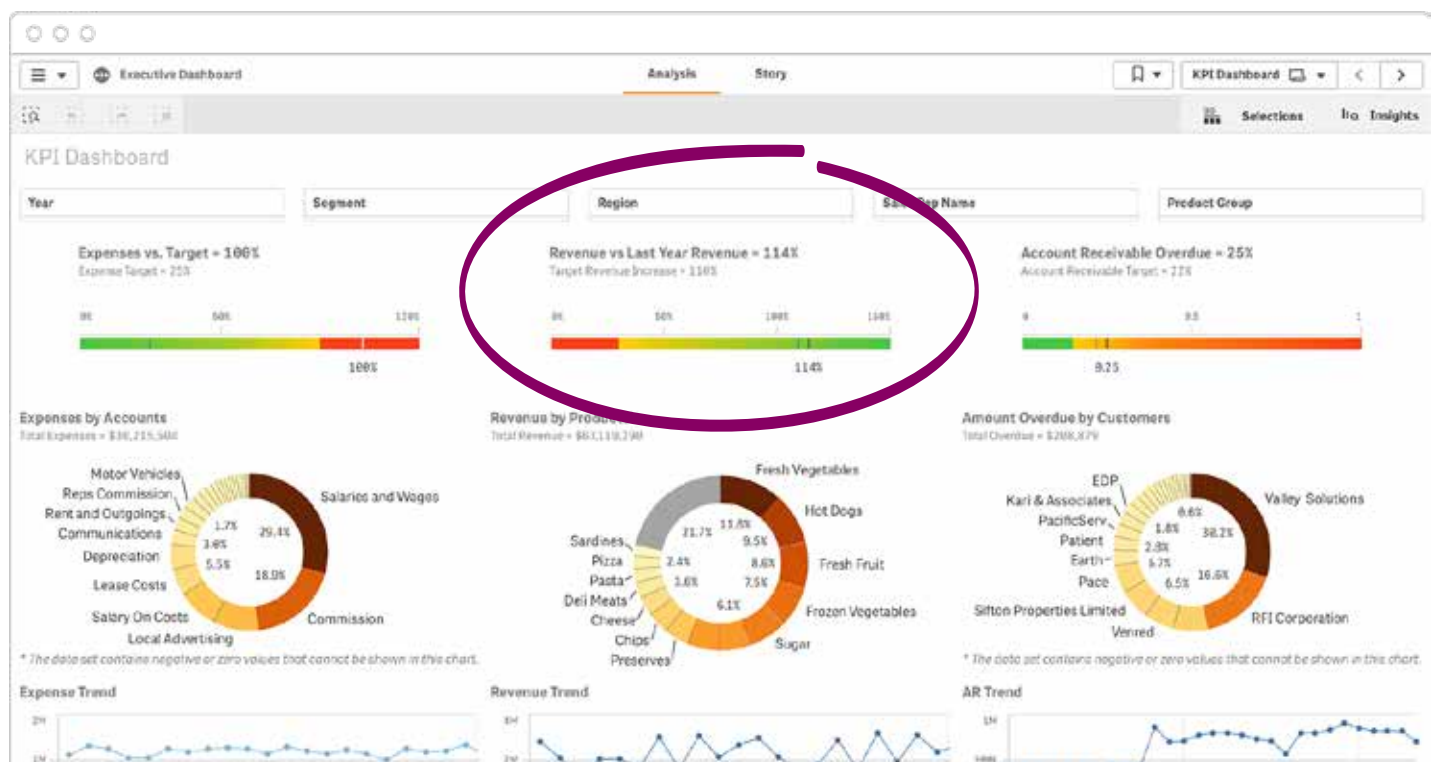
### **BONUS STEP: Create a KPI-driven, data-driven culture.**

Key performance indicators don't mean much if people don't understand what they are and how to explore the data behind them. Increase data literacy in your organization so everyone works toward strategic targets. Educate employees, assign them relevant KPIs, and use a best-in-class analytics solution to keep everyone making decisions that move your business forward. Learn more about data literacy at:

<https://www.qlik.com/us/bi/data-literacy>

# KPI Examples

Let's say your strategic objective is to grow revenues by 110% over the prior year. Your KPI would be described similarly as "110% revenue increase over prior year" and as shown below, you would track your performance against that target on a regular basis. Most companies track KPIs on a monthly or quarterly basis. Happily, in this case, revenue is 114% over the previous year.



See a comprehensive list of KPI examples and dashboard templates per department at the end of this worksheet.

# KPI Planner Worksheet

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Okay, now you're ready to dive in! The below questions will walk you through the process of defining and tracking the right key performance indicators for yourself, your team, and your organization.

## Who or what are these KPIs for?

State the person, project, product, department, or company which you're developing these KPIs for:

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## What are your highest priority objectives?

State 3-5 specific, measurable goals for a particular time frame (month, quarter or year). These should be the key targets you track to make the greatest strategic impact on your business.

1. 

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2. 

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3. 

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4. 

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5. 

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*For example: 15 new customers in the US per month*

## Congrats!

You just set your KPIs. Now let's confirm these are the right ones...

## Do your KPIs align with your company's mission?

State how the above KPIs align with your company's mission and strategic priorities.

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## Are your KPIs actionable and attainable?

State at a high level how you will work towards achieving these goals.

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## Are your KPIs trackable? (Do you have the data?)

State where you will obtain the data to track each of your KPIs.

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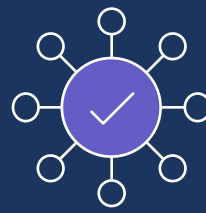
## Got more KPIs in mind?

Through this process, you may have thought of additional goals. You can list additional KPIs here but avoid "KPI overload" by focusing only on the most impactful measures.

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## Technology to support KPI implementation

**Data integration** brings together data from multiple sources across your business to provide complete, accurate, and up-to-date information.

Learn more:

<https://www.qlik.com/us/data-integration>

**Data analytics** or BI tools allow you to create interactive visualizations and dashboards based on your KPIs. This makes it easier for stakeholders to understand and explore the data behind the KPIs. Modern tools also make it easy for you to set up data-driven, real-time alerts based on your KPIs to help you stay on top of your business and take timely action.

Learn more:

<https://www.qlik.com/us/data-analytics/data-analytics-tools>

**How will you share your KPIs?**

State who you should share your KPIs with on an ongoing basis and how you will do it. For example, a Sales Director might have a monitor on the wall with a real-time dashboard for the Sales Team to track progress toward sales goals.

Person or team	Method of sharing KPIs

**How frequently do you need to share updated KPI data?**

Ask your stakeholders how often they require status updates.

**Which KPI dashboard tool is right for you?**

Compare top interactive KPI dashboard software: <https://www.qlik.com/us/dashboard-examples/dashboard-software>

**How will you present KPIs in a meaningful way?**

It’s important to give a point of reference such as a target, a forecast, or a trend. And, interactive KPI dashboards allow any user to easily explore the data behind the KPIs and uncover actionable insights.

**How will you iterate?**

As your business and customers evolve, you may need to revise your key performance indicators. Perhaps certain ones are no longer relevant, or you need to adjust based on performance. Be sure you have a plan in place to evaluate and make changes to KPIs when necessary.



# 170 KPI Examples And Templates

We've identified and prioritized the most impactful key performance indicator examples for each department. Use the table of contents below to find the ones that are most relevant to your organization and teams.

## KPIs by Department

- |                       |                     |
|-----------------------|---------------------|
| 1. Sales              | 6. Customer Service |
| 2. Management         | 7. Finance          |
| 3. Project Management | 8. Human Resources  |
| 4. Marketing          | 9. IT               |
| 5. Operations         | 10. Social Media    |



See these and other KPIs in Sales Dashboards at <https://www.qlik.com/us/dashboard-examples/sales-dashboards>

## Sales KPI Examples

Sales leaders and their teams need to track the key performance indicators that help them close more orders. Below are the 15 essential sales KPI examples:

- |                               |                            |                                    |
|-------------------------------|----------------------------|------------------------------------|
| • New Inbound Leads           | • Lead-to-Opportunity %    | • Upsell %                         |
| • Lead Response Time          | • Opportunity-to-Order %   | • Cross-Sell %                     |
| • Lead Conversion %           | • Average Order Value      | • Sales Volume by Location         |
| • New Qualified Opportunities | • Average Sales Cycle Time | • Sales Change (YoY, QoQ, MoM)     |
| • Total Pipeline Value        | • Revenue Per Rep          | • Sales Target % (Actual/Forecast) |



See these and other KPIs in Executive Dashboards at <https://www.qlik.com/us/dashboard-examples/executive-dashboards>

## KPIs for Managers

Executives and managers need KPIs that reflect their organization’s strategic priorities. Below are the 15 key management KPI examples:

- Customer Acquisition Cost
- Customer Lifetime Value
- Customer Satisfaction Score
- Sales Target % (Actual/Forecast)
- Sales by Product or Service
- Revenue per FTE
- Revenue per Customer
- Operating Margin
- Gross Margin
- ROE (Return on Equity)
- ROA (Return on Assets)
- Current Ratio (Assets/Liabilities)
- Debt to Equity Ratio
- Working Capital
- Employee Satisfaction Rating



See these Project Management KPIs in a Workforce Management Dashboard at <https://demos.qlik.com/qliksense>

## Project Management KPIs

Project managers need to keep projects on time and on budget while ensuring a high-quality outcome. That’s why the 15 key performance indicators examples below focus on timeliness, budget, and quality.

- On-Time Completion %
- Milestones on Time %
- Estimate to Project Completion
- Adjustments To Schedule
- Planned vs. Actual Hours
- Resource Capacity %
- Budget Variance (Planned vs Actual)
- Budget Iterations
- Planned Value
- Net Promoter Score
- Number of Errors
- Customer Complaints
- Change Requests
- Billable Utilization
- Return On Investment (ROI)



See these Marketing KPIs in a Marketing Dashboard at <https://www.qlik.com/us/dashboard-examples/marketing-dashboards>

## Marketing KPIs

Marketing leaders need to track KPIs which enable them to measure their progress against clearly defined goals. The 15 marketing KPI examples below cover all phases of the customer acquisition funnel.

- Marketing Qualified Leads (MQLs)
- Sales Qualified Leads (SQLs)
- Cost per Lead
- New Customers
- Cost per Acquisition
- Upsell & Cross-Sell Rates
- Conversion Rates (For Specific Goals)
- Social Program ROI (By Platform)
- Organic Traffic & Leads
- Return on Ad Spend (ROAS)
- Average Order Value
- Total Revenue
- Revenue by Product or Service
- Customer Lifetime Value (CLV)
- Net Promoter Score (NPS)



See these Operations KPIs in a KPI Dashboard at <https://www.qlik.com/us/dashboard-examples/kpi-dashboards>

## Operations KPIs

Operations managers need to track KPIs around efficiency, effectiveness, and quality as covered in the 15 key performance indicators examples below.

- Labor Utilization
- Employee Turnover Rate
- Employee Absence Rate
- Employee Training Rate
- ROI of Outsourcing
- Labor Materials
- Operating Margins
- Customer Lifetime Value
- Processes and Procedures Developed
- Cash Flow
- Project Schedule Variance
- Order Fulfilment Cycle Time
- Delivery In Full On Time Rate
- Rework Rate
- Customer Complaints



See these and other KPIs in a KPI Dashboard at <https://www.qlik.com/us/dashboard-examples/kpi-dashboards>

## Customer Service KPIs

Service and support teams should focus on KPIs that measure response times. But, like the 15 key performance indicators examples below, they should also have a clear view of the customer base and longer term, preventative KPIs such as employee engagement and knowledge base articles.

- Number of Issues (By Type)
- First Response Time (FRT)
- First Contact Resolution Rate
- Average Response Time
- Average Resolution Time
- Most Active Support Agents
- Cost Per Conversation
- Customer Satisfaction Score (CSAT)
- Net Promoter Score (NPS)
- Positive Customer Reviews
- Customer Effort Score
- Customer Retention Rate (CRR)
- Support Costs / Revenue Ratio
- Knowledge Base Articles
- Employee Engagement

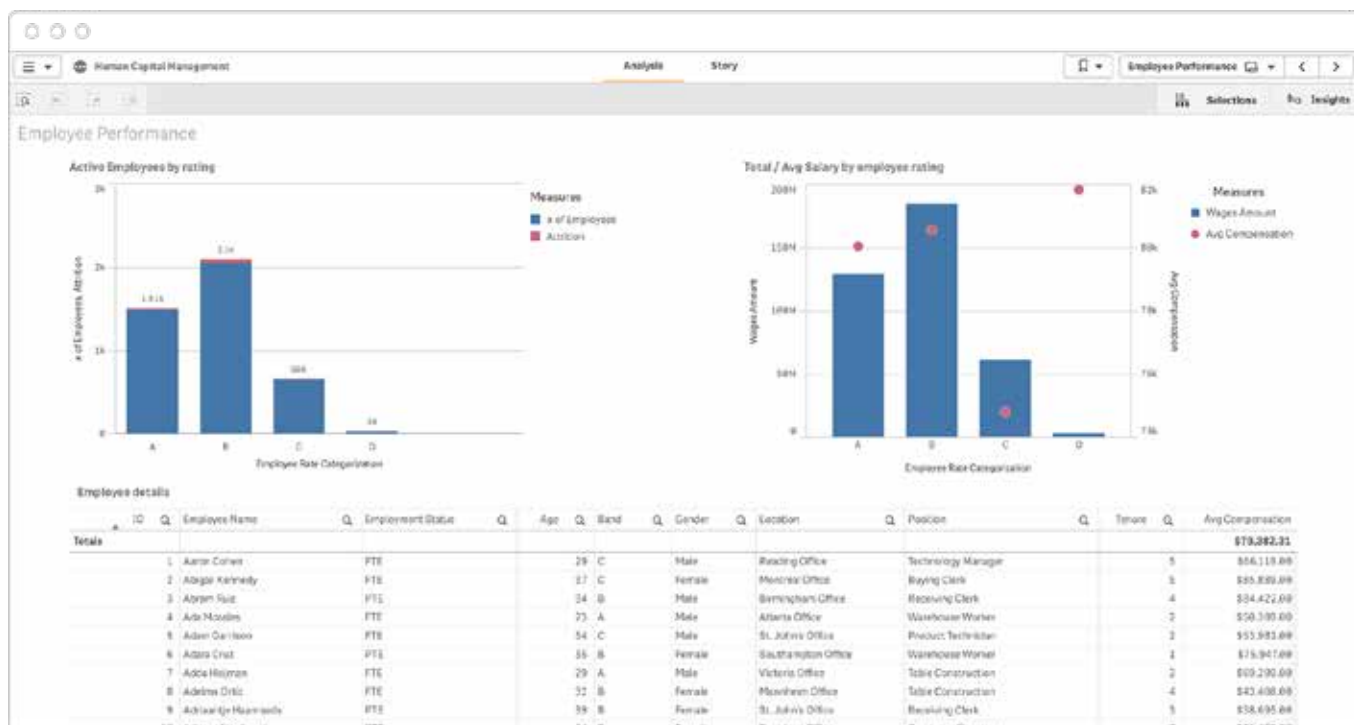


See these and other KPIs in a Financial Dashboard at <https://www.qlik.com/us/dashboard-examples/financial-dashboards>

## Finance KPIs

Financial teams have no shortage of ratios and metrics to track. Finance managers and executives should focus on margin, expense, revenue, and cash management as shown in the 15 key finance KPI examples below.

- Gross Profit Margin (and %)
- Operating Profit Margin (and %)
- Net Profit Margin (and %)
- Operating Expense Ratio
- Working Capital Ratio
- Debt-To-Equity Ratio
- Quick Ratio (Acid Test)
- Current Ratio
- Berry Ratio (gross profit to operating expenses)
- Return on Assets
- Cash Conversion Cycle
- Accounts Payable Turnover Ratio
- Accounts Receivable Turnover Ratio
- Budget Variance
- Payroll Headcount Ratio



See these and other KPIs in an HR Dashboard at <https://www.qlik.com/us/dashboard-examples/hr-dashboard>

## Human Resources KPIs

HR managers are primarily concerned with three main areas: workforce management, compensation, and recruitment. The 35 key performance indicators examples below cover the main KPIs for each area:

### Workforce Management KPIs:

- Workforce Management KPIs:
- Absenteeism rate
- ROI of outsourcing
- Succession planning rate
- Open/closed grievances
- Promotion rate
- Time to productivity
- Successor gap rate
- Worker composition by gender, experience, and tenure
- Internal mobility
- Manager quality index
- HR effectiveness
- Employee satisfaction rates
- Training ROI

### Compensation KPIs:

- HR functional operating expense rate
- Labor cost per FTE
- Labor cost revenue percent
- Labor cost revenue expense percent
- Total benefits as percentage of labor costs
- Revenue per FTE
- Profit vs. compensation per FTE
- Human capital ROI
- HR functional cost per employee

### Recruitment KPIs:

- Quality of hire
- Vacancy rate
- Turnover rate
- Resignation/retirement rate
- External hire rate
- Time-to-fill
- Diversity, experience, and gender hire ratio
- Recruiting funnel metrics
- Talent import/export ratio
- Voluntary turnover rate
- Retention rate
- Recruiting expense per new hire
- Retirement rate forecast



See these and other KPIs in a KPI Dashboard at <https://www.qlik.com/us/dashboard-examples/kpi-dashboards>

## IT KPIs

IT managers should track the on-going stream of support tickets and downtime. They should also track the projects and the team that will proactively reduce the number of these tickets in the future as shown in the top 15 IT KPI examples below.

- Total Support Tickets
- Open Support Tickets
- Ticket Resolution Time
- Reopened Tickets
- Average Time Between Failures
- Projects on Budget
- Average Time to Repair
- Uptime %
- Server Downtime
- Security Related Downtime
- Total Projects
- Critical Bugs
- IT Support Employees Per End Users
- IT Costs vs Revenue
- IT Team Turnover



See social Media KPIs in a KPI Dashboard at <https://www.qlik.com/us/dashboard-examples/marketing-dashboards>

## Social Media KPIs

Social media managers should have KPIs that represent reach, engagement, and conversion to revenue. The 15 social media key performance indicators examples below should be applied both as totals and for each social media platform on which your organization is active.

- Social Share of Voice (SSoV)
- Total Reach
- Total Impressions
- Followers or Fans or Subscribers
- Audience Growth Rate
- Share Rate (Shares or ReTweets)
- Interest Rate (Likes, Reactions, Favorites)
- Response Rate (Comments, Replies)
- Key Post or Hashtag Reach
- Link Clicks
- Site Traffic From Social (By Platform)
- Conversions From Social
- Conversion Rate From Social
- Revenue From Social
- Social Program ROI

## ABOUT QLIK

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Qlik's vision is a data-literate world, where everyone can use data and analytics to improve decision-making and solve their most challenging problems. Our cloud-based Active Intelligence Platform delivers end-to-end, real-time data integration and analytics cloud solutions to close the gaps between data, insights and action. By transforming data into Active Intelligence, businesses can drive better decisions, improve revenue and profitability, and optimize customer relationships. Qlik does business in more than 100 countries and serves over 38,000 customers around the world.

