



Module 5

Designing KPIs



Designing KPIs

- **Creating and selecting metrics**
 - KPI design process
 - Creating new metrics
 - Time to create a metric
 - IT involvement in design and development
 - Why technical resources should be involved
- **Organizational levels**
 - Effect of organizational levels
 - Benefits of a universal metric

Gathering requirements: Process

- **Why requirements gathering is a prerequisite for success**
- **Strategy map**

Figure 8: Strategy map template

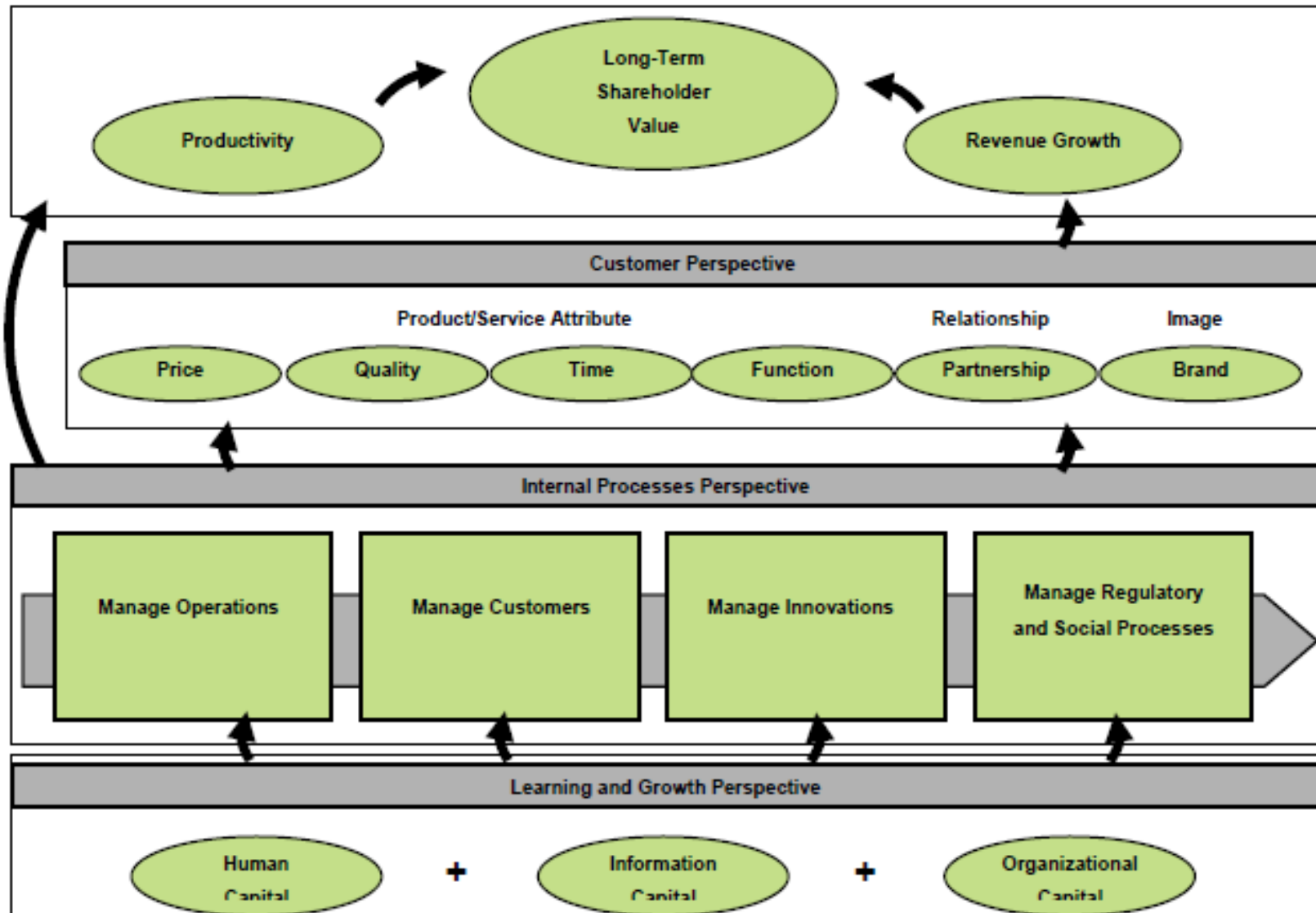
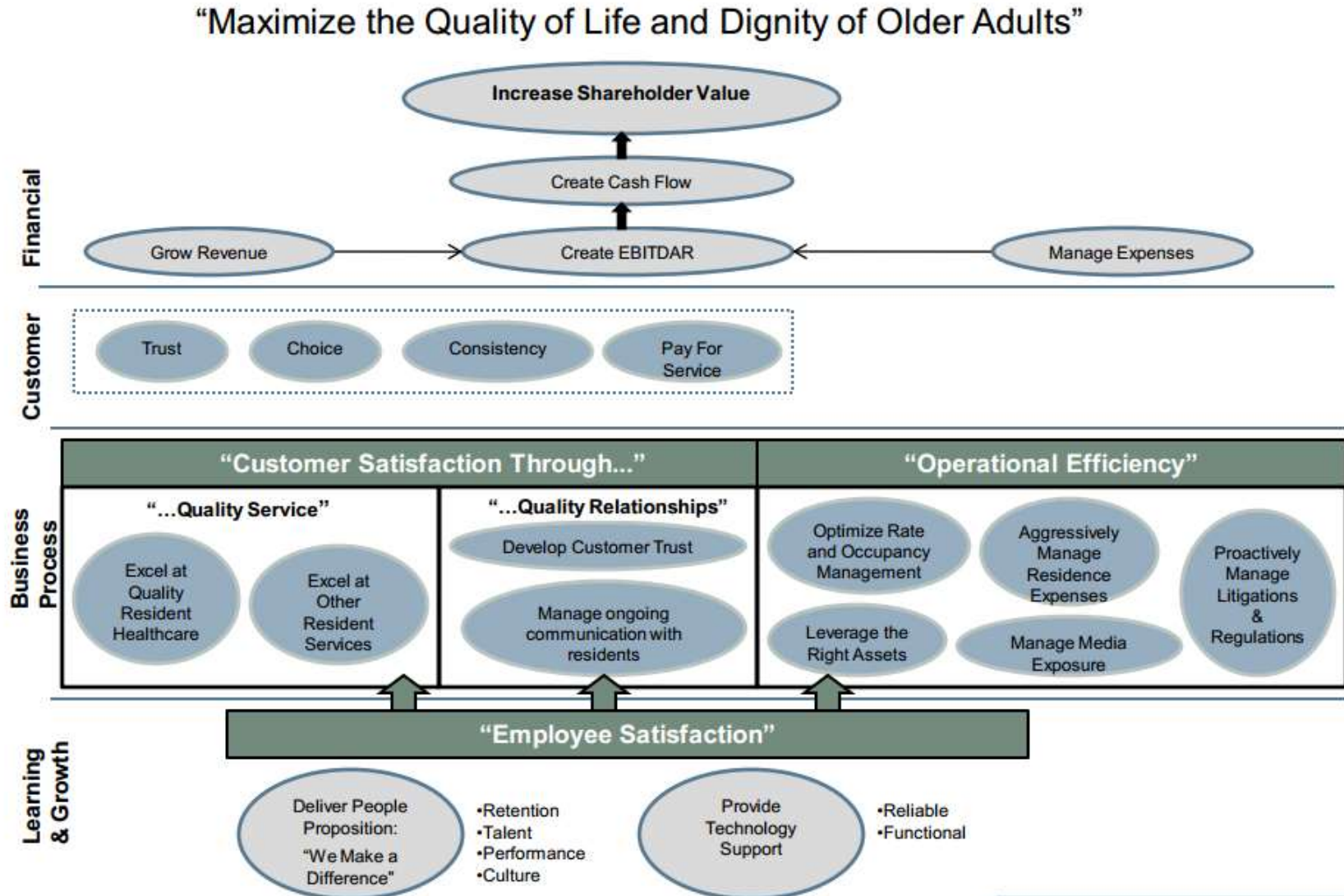


Figure 9: Strategy map – Healthcare



Process (continued)

- **Linking KPIs**
- **Key performance questions (KPQs)**

Gathering dashboard KPI and metric requirements

- **Use a top-down approach to determine requirements**
- **Top-down approach**
- **Goal of the interview process**
- **Objective of the business questions**

Information required to design KPIs

■ **Indicators**

- Indicator basics
- Indicator design

■ **Collecting data**

- What data collection involves
- Data collection methods
- Data source
- Formula/scale/assessment
- Data collection responsibility
- Cost of data collection

Information required to design KPIs (contd.)

- **Data collection frequency**
 - Data collection frequency
 - Impact of infrequent data collection
 - Temporary indicators
- **Targets and performance thresholds**
 - Need for benchmarks
 - Approaching target setting
 - Good and bad targets

Information required to design KPIs (contd.)

- **Validating and reviewing the indicator**
 - Validating indicators
 - Functional behavior triggered by an indicator
- **Reporting the performance information**
 - Access to performance indicators
 - Reporting frequency
 - Methods of reporting performance
 - Reporting format