

## Performance Measurement Operational Definitions

Label	Definitions		Label	Definitions
Design approach	Measures the extent to which a structured approach was employed in the design of the PM system. For example, use of a commonly-accepted framework such as the BSC <sup>1</sup> to guide the design process; use of a set of design guidelines developed by researchers or practitioners; etc.		PM system design quality	Measures the appropriateness, conciseness, balance and alignment of the designed PM system with organization's strategy. For example, how balanced are the set of measures when considering the BSC <sup>1</sup> dimensions? Can the measures be effectively linked to organizational strategy? etc.

Implementation approach	Measures the extent to which a structured deployment approach was used for managing the PM system implementation process. For example, use of implementation or change management guidelines developed by researchers or practitioners (For example, Kotter's change process <sup>2</sup> ); use of an explicit project management approach to guide the implementation (For example, development of accountability structures, definition of the critical path, etc.)	PM participation and training	Measures the extent to which employees actively participate in the PM implementation process, as well as the extent to which employees are adequately trained for the PM implementation process. For example, obtaining employee feedback, offering PM training programs, etc.
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Complexity of the measurement environment	Measures the extent to which employees are able to readily select, define, and strategically align the metrics in the PM system, as well as whether accurate data for the metrics is currently available or would need to be created. For example, does the organization experience difficulty identifying an appropriate set of metrics for its business environment? Or, does the organization need to create new data collection systems to capture data for the newly defined metrics? etc.		Reward system alignment	Measures the extent to which the PM system is consistent with existing reward/incentive systems or new rewards/incentives are developed to encourage employee use of the PM. For example, rewards for meeting performance targets, incentives to use the PM system, etc.
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Information technology (IT) infrastructure capabilities	Measures the extent to which information technology capability is adequate to support the PM implementation process. For example, computers, data management tools, software, handheld devices, intranet, etc.		Improved results & processes	Measures the extent to which the strategic activities and organizational performance are improved after PM implementation process. For example, improvements in organizational profit, customer satisfaction, employee motivation, etc.
Leadership support	Measures the extent to which leadership supports the PM implementation process. For example, encouraging use of the system, acting as facilitators, buy-in and commitment to the implementation, allocating resources for the implementation, etc.		PM system performance	Measures the efficiency of PM system, the quality of information, how data was collected, used & updated and effectiveness of approach. For example, frequency of data collection; trustworthiness of resulting data; ease of data entry; ease of updating of metric portrayals and other system information; etc.

Organizational acceptance	Measures the extent to which employees are receptive to and accepting of the PM implementation process. For example, employee buy-in and commitment to the implementation, employee perceptions of the benefits and importance of the implementation, etc.		Use of the system	Measures the extent to which the PM system is utilized in managerial activities and processes, and how metrics are evaluated to improve strategies. For example, frequency of performance review meetings, effectiveness of metric portrayals, data-driven decision-making, etc.
Organization culture and climate	Measures the extent to which the organizational culture and environment supports the PM implementation process. For example, openness to change, acceptance of performance measures, learning and improvement culture, etc.		General success	Measures the overall extent to which the PM system implementation process is viewed as being effective. That is, overall perceived success of the implementation effort.
<sup>1</sup> BSC - Balanced scorecard [Kaplan (1996), Strategic learning & the balanced scorecard]; <sup>2</sup> Kotter's change process [Kotter (2015), Accelerate]				