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**The three things I want to leave you with in session #1**

- An understanding that measurement in your organisation needs more rigour and testing
- A clear picture of what a KPI is and what it is capable of achieving
- Importance of finding Pepper's critical success factors

**But first some background**

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**We need KPIs to work, to sort out a lack of alignment**

**Jack Welch's five slides**

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## Stories

- Airline
- Freight forwarding company
- **What made these measures work?**  
Who? What? Why? When? Where? How?



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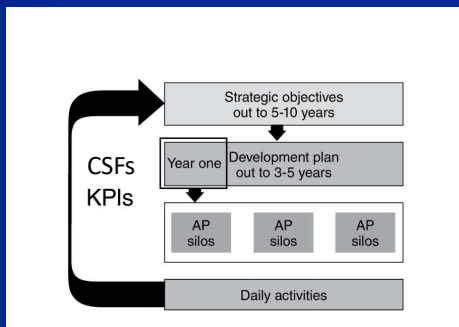
## The role of performance measures

- Establish current position
- Communicate direction
- Achieve a more balanced performance
- Stimulate action link to the organisation's critical success factors (behavioural alignment)
- Facilitate learning

AND

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## Linking daily activities to the strategy



AND

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## To get your organisation future ready

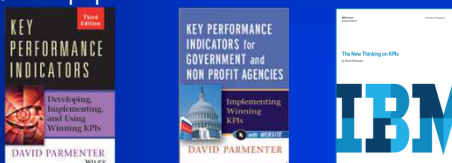


- Instant feedback
- Work with big data to improve
- Looking ahead
- Benchmark against competitors
- Quick adapter of technology
- Extensive training to help make time stand still

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## Why am I here in front of you

- British Airways story in 1987
- Found the Ausindustry Manual in 1997
- Saw a huge gap in knowledge
- Four KPI books, 31 Countries, 30 KPI articles and 3 whitepapers



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## Two groups of two



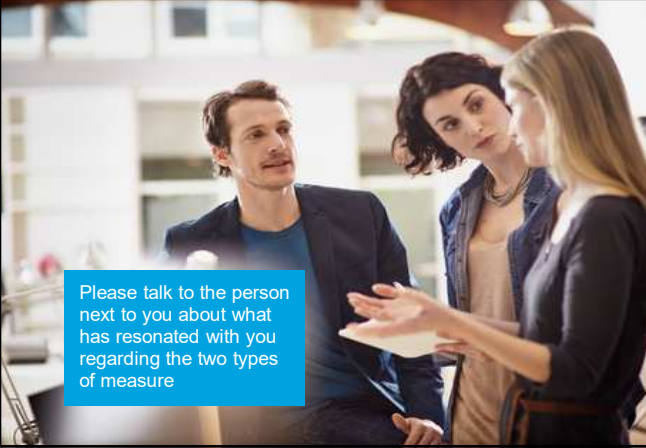
<b>Result Indicators (Harry &amp; Oscar)</b>	Measures that summarize the collective effort of a wide number of teams. Some I call <b>Key Result Indicators</b> .
<b>Performance Indicators (Annie &amp; Eliza)</b>	Measures where the responsibility can be tied down to a team or a cluster of teams who work closely together. Some I call <b>Key Performance Indicators</b> .

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## The 10/80/10 rule

<b>Key result indicators (Board KPIs)</b>	10
<b>Result indicators</b>	} 80
<b>Performance indicators</b>	
<b>Key performance indicators (Operational KPIs)</b>	10


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Please talk to the person next to you about what has resonated with you regarding the two types of measure

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## Key result indicators



← Past				Current	Future →		
KRIs							
last year	Last quarter	Last month	Last week	Yesterday & today	Next week	Next month	Next quarter

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## Key result indicators

Examples

- Return on capital employed
- Customer satisfaction %
- Employee satisfaction %
- Staff turnover
- Number of innovations implemented over last 18 months by division

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## KPIs



← Past				Current	Future →		
KRIs				KPIs			
last year	Last quarter	Last month	Last week	Yesterday & today	Next week	Next month	Next quarter

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