

## PERFORMANCE MEASUREMENT -YOUR BUSINESS KEY PERFORMANCE INDICATORS (KPI'S)

Critical to improving your business performance is the measurement of performance.

The best way to measure performance is to identify and measure Key Performance Indicators that are critical to your business succeeding.

Key Performance Indicators of a business can be categorised into five areas of Customers, Stakeholders, Business Processes, and Products and Capabilities.

Measuring these five KPI's with appropriate performance measures is the key to business improvement.

<u>CUSTOMERS</u>	
Customer Satisfaction	<ul style="list-style-type: none"><li>• Customer satisfaction and dissatisfaction</li><li>• Customer retention and behavior</li></ul>
State of Customer Base	<ul style="list-style-type: none"><li>• Market growth rate</li><li>• Market share</li></ul>
<u>STAKEHOLDERS</u>	
Shareholder (Owner) Satisfaction	<ul style="list-style-type: none"><li>• Financial returns to shareholders</li></ul>
Other Stakeholders (Suppliers, Staff)	<ul style="list-style-type: none"><li>• Stakeholder satisfaction and dissatisfaction</li><li>• Stakeholder retention and behavior</li></ul>
<u>BUSINESS PROCESSES</u>	
Marketing	<ul style="list-style-type: none"><li>• Customer acquisition</li><li>• Customer profitability</li></ul>
Operations/Efficiency	<ul style="list-style-type: none"><li>• Productivity/Waste</li><li>• Product and service costs</li></ul>

<u>PRODUCTS &amp; CAPABILITIES</u>	
Product/service quality	<ul style="list-style-type: none"> <li>• Product/service profitability</li> </ul>
Continuous improvement	<ul style="list-style-type: none"> <li>• Organizational (including staff) capabilities</li> <li>• Infrastructure capabilities</li> </ul>