

COMMON MISTAKES

TO AVOID WHILE USING KPIs FOR MEASURING PERFORMANCE

Too many lagging metrics

A good set of KPIs should be about 50% leading metrics (inputs and processes) and about 50% lagging (outputs and outcomes) metrics



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Mistaking control for influence

The test of a good outcome metric/KPI is that your organization can influence performance on the metric, not control it

Adopting trendy customer metrics

Popular customer-related KPIs may provide false readings and lead to assumptions that they represent all customers



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KPIs measured too infrequently

The test of a good KPI is that it can be measured frequently (i.e., daily, weekly, monthly) so that you can detect changes and problems when they first surface and implement corrective actions