CERTIFIED BENCHMARKING PROFESSIONAL

Glossary of terms

A

Accuracy
The degree of closeness an estimate has to the true value.

Analytics
A technique used to discover meaningful patterns in data. It enhances data analysis and supports better decision making.

Audit
An independent examination of data, in order to form a responsible opinion about the efficiency and effectiveness of the company's activities or processes. It offers recommendations for correcting existing errors and improving current systems, processes or procedures.

B

Balanced Scorecard
A performance management system that provides wider visibility than traditional models, as it is not focused only around financial performance indicators, but also around other important elements for the organization's growth. A Balanced Scorecard is based on four perspectives - Financial, Customer, Internal Processes and Learning and Growth. It supports the alignment of business activities to the vision and strategy of the organization, it improves internal and external communications and it monitors organizational performance.

Benchmarking
The comparison of one organization's practices, processes and performance with the ones of similar organizations across the industry, in order to identify standards, set targets and measure progress.

Best practice
A method that proved to achieve superior results than the ones obtained with other means. Being that effective, it is generally used as a benchmark.

C

Customer Perspective
One of the four perspectives used with the Balanced Scorecard that should bring visibility into who are the target customers and what is the value proposition in serving them.

Closed-ended question
A survey question format that provides a limited set of predefined answer categories from which respondents must choose.
Example: Do you smoke?
Yes ___
No ___

Cluster
A grouping of units on the sampling frame that is similar on one or more variables, typically geographic. For example, an interviewer for an in person study will typically only visit households in a certain geographic area. The geographic area is the cluster.

Comparability
The extent to which differences between survey statistics from different countries, regions, cultures, domains, time periods, etc., can be attributable to differences in population true values.

D

Dashboard
In performance management, a dashboard is used for monitoring data on a daily basis. It is characterized by visual representations of data that enable fast and easy understanding of the performance status.

Data capture
The process of converting data (e.g. from questionnaires, audio/visual recordings, samples, etc.) to an electronic file.

Data governance
Is the process by which companies govern appropriate access to their critical data, by measuring and mitigating operational and security risks associated with access to data.

Data quality
The amount of confidence that the recorded performance of a particular KPI is based on accurate and auditable collation, calculation and reporting processes.

Data reporting
The process of listing key information related to an organization's performance, in order to identify the status of the monitored performance indicators.

Data visualization
Refers to the visual representation of data, in order to better understand information and present it in a clear and effective manner.

E

Effectiveness
The extent to which objectives are achieved and targeted problems solved, without taking into consideration the costs inquired.

Efficiency
The comparison of what is actually produced (outputs) with the resources consumed, such as money, time, labor (inputs). Efficiency takes place when the same volume of outputs can be produced with less inputs.

F

Framework
The basic structure of something; a set of ideas or facts that provide support for something.

G

Goal
An overarching statement of attainment / achievement that is proposed to be accomplished with an implication of sustained effort and energy. Typically they are a more generic and integrative expression of objectives.

H

Histogram
A graphical representation of the distribution of data. It is an estimate of the probability distribution of a continuous variable (quantitative variable) and was first introduced by Karl Pearson.

I

Initiative
A corrective action / activity / project / program initiated to support the organization's strategy and to contribute to the achievement of its objectives. Initiatives vary in complexity and size, ranging from small scale, short term changes, to projects implemented with strict governance and to large scale transformational / change programs.

Ishikawa diagram
A technique that seeks to understand the possible causes. Causes are grouped into major categories for a manufacturing industry: Manufacturing, Methods, Man Power, Materials, Measurements and Mother Nature (Environment). In the case of marketing, the categories are: Product/ Service, Price Promotion, People, Processes, Physical Evidence and Productivity.

K

Key Performance Indicator (KPI)
A measurable expression for the achievement of a desired level of results in an area relevant to the evaluated entity’s activity.

L

Leadership
The process of social influence which maximizes efforts, towards the achievement of a goal. It refers to the ability and responsibility of leading a group of people.

M

Management
The art of coordinating an organization's resources (money, time, people, materials, technology) in order to achieve defined objectives. It has 4 basic functions: to plan, to organize, to influence and to control.

Measure
A number or a quantity that records a directly observable value or performance. All measures are composed of a number and a unit of measure. The number provides magnitude (how much) for the measure, while the unit gives the number a meaning (what).

Metadata
Information that describes data. The term encompasses a broad spectrum of information about the survey, from study title to sample design, details such as interviewer briefing notes, contextual data and/or information such as legal regulations, customs and economic indicators. Note that the term 'data' is used here in a technical definition. Typically metadata are descriptive information and data are the numerical values described.

Method
An established, habitual, logical or prescribed practice or systematic process of achieving certain ends with accuracy and efficiency, usually in an ordered sequence of fixed steps.

Metric
A generic term referring to everything that can be measured around us, such as: # Air temperature, # River depth or # Employee's average height. When metrics reflect the achievement of a desired state they become KPIs.

Milestone
Key events or deliverables that must be achieved at a specific date from the project's lifecycle. They are set to help project planning and ensure project validation.

Mission Statement
Defines the essence of a company: why it exists, what it does, what it stands for, what products or services it offers to customers. An effective mission statement should be concise, inspiring, long-term oriented and easily understood and communicated.

Mode (collection)
Method of data collection.

N

Needs identification
The process of understanding what issues must be addressed to properly satisfy stakeholders' expectations.

Nonresponse
The failure to obtain measurement on sampled units or items.

O

Objective
A precise statement of what an organization wants to achieve. It is a component of the strategic intent, describing at a high level the company's priorities and outcomes that will lead to an improved performance.

Open-ended question
A survey question that allows respondents to formulate the answer in their own words. Unlike a closed question format, it does not provide a limited set of predefined answers.
Example: What is your occupation?
Please write in the name or title of your occupation _____

P

Performance Culture
A system that promotes a diverse, innovative and high-performing workforce by implementing and maintaining effective performance management systems, programs to support the professional development of employees and continuous learning.

Performance Management
Taking actions based on the results of the evaluation to ensure targets are achieved. A strategic and integrated organizational capability that delivers sustained success to organizations by improving the performance of systems and people.

Performance Management Architecture
A conceptual construct illustrating the performance management tools and the relationship between them as part of a performance management system. It shows the interaction between the system's components and outlines each component's role.

Performance Measurement
A sub-process of Performance Management, dealing with tracking and evaluation. It provides the necessary information to plan, organize, coordinate, communicate and control performance.

Performance reviews
A technique that enables all attending stakeholders to create an educated overview of the results achieved during a specified period of time. The main purpose is to clarify the causes of poor performance and establish improvement initiatives.

PESTEL analysis
An external analysis technique used when conducting research in the beginning stages of a new project or when shaping the strategy with the purpose of identifying key external forces that might affect an organization. The analysis covers the following factors: political, economic, social, technological, environmental and legal.

Portfolio of Initiatives
A collection of all the initiatives tracked, either active or inactive. This instrument is useful for prioritizing projects and monitoring their status.

Process
Sequence of interdependent and linked procedures which, at every stage, consume one or more resources (time, energy, machines, money) to convert inputs (data, material, parts) into outputs. These outputs then serve as inputs for the next stage until a known goal or end result is reached.

Process improvement
A series of actions taken to identify, analyze and optimize the existing processes, in order to achieve better results and increased efficiency.

Program
A structured group of projects aiming to achieve complementary outcomes.

Project Management
The application of knowledge, skills, tools and techniques to plan, implement and evaluate activities in order to meet or exceed expectations from a project.

Q

Quality
The degree to which product characteristics conform to requirements as agreed upon by producers and clients.

Quality assurance
A planned system of procedures, performance checks, quality audits and corrective actions to ensure that the products produced throughout the survey lifecycle are of the highest achievable quality. Quality assurance planning involves identification of key indicators of quality used in quality assurance.

Quality audit
The process of the systematic examination of the quality system of an organization by an internal or external quality auditor or team. It assesses whether the quality management plan has clearly outlined quality assurance, quality control, corrective actions to be taken, etc., and whether they have been effectively carried out.

Quality control
A planned system of process monitoring, verification, and analysis of indicators of quality, and updates to quality assurance procedures, to ensure that quality assurance works.

R

Reliability
The consistency of a measurement, or the degree to which an instrument measures the same way each time it is used under the same conditions with the same subjects.

Response options
The category, wording and order of options given with the survey question.

Risk
The probability of an event to occur and affect the business.

Risk Management
The process of identifying, assessing and prioritizing the risks the organization encounters, followed by a coordinated and economical application of resources to minimize them.

S

Sample design
Information on the target and final sample sizes, strata definitions and the sample selection methodology.

Scorecard
A performance management tool used to measure the performance of companies against established targets. It consists of a collection of KPIs correlated with the company's objectives.

Six Sigma
A business management approach designed to improve quality by identifying and removing causes of defects, mainly through removing variation and improving processes.

SMART Objectives
Refers to a set of criteria considered best practice in describing a business objective. An objective that meets all the criteria below is considered a SMART objective: Specific, Measurable, Achievable, Realistic, and Time-bound.

Stakeholders
Persons, groups or organizations that have an interest or concern in a company. Stakeholders can influence or be influenced by the company's actions, policies and objectives. Examples of key stakeholders are creditors, employees, directors, government (and its agencies), owners (shareholders), suppliers, unions and the community which the business draws its resources from.

Strategy
A general direction set for the company to achieve a desired state in the future. It includes the activities an organization takes in order to attain its goals, and so, to gain a competitive advantage over the other companies in the market.

Survey weight
A statistical adjustment created to compensate for complex survey designs with features including, but not limited to, unequal likelihoods of selection, differences in response rates across key subgroups and deviations from distributions on critical variables found in the target population from external sources, such as a national Census.

SWOT analysis
A technique that involves the study of both internal and external environment of the organization and the factors that affect it by analyzing strengths, weaknesses, opportunities and threats.

T

Target
Reflects the desired level to be achieved for a metric, providing meaning to measurement results and feedback regarding performance.

Taxonomy
A classification of structures, ordered in a system, which indicates natural relationships; distribution into arranged groups or categories.

Technique
A way of carrying out a particular task. A systematic procedure of executing an activity.

Tool
An instrument used to carry out a particular function. Tools facilitate the execution of tasks

Total Quality Management (TQM)
Represents a management concept aiming to reduce the errors produced during the manufacturing, production or service process, to increase customer satisfaction and to assure optimization within the supply chain management. TQM can be easily associated with the development, deployment and maintenance of organizational systems that are required for various business processes.

Trend
A pattern of continuous change in a condition, process or output, or an average or general tendency of a series of data points moving in a fixed direction over time, which is represented by a line or curve on a graph.

U

Unethical behavior
Disregarding environmental, safety or other ethical considerations in the process of meeting targets.

V

Value driver
A key element, process or capability within the business that if one directs resource at (capital, people or strategic initiatives) is likely to lead to an increase added value ("caeteris paribus").

Variance
A measure of how much a statistic varies around its mean over all conceptual trials.

Value Flow Analysis
A technique used to analyze the value generation of a system at all stages: Input, Process, Output and Outcome. This techniques can also be used in selecting KPIs for a specific objective by establishing at each stage relevant KPIs, and then choose the most important ones.

Value statement
Important and lasting belief or ideal shared by the members of an organization about what is good / bad and desirable / undesirable.

Vision statement
The expression of the ultimate aspirations of the company. The vision should articulate the future image of the company and remind to stakeholders what the organization is trying to achieve.

W

5 “Whys?”
A question asking technique based on asking the question “Why?” five times. It is used to identify the causes that are cardinal to the problem and lead to the root of the issue.

Weighting
A technique that assigns weights to data, proportionally to its importance, to ensure the relevancy of the measurement's results.