KPI Masterclass

Fact sheet

Terminology in practice

1. The White House, USA: Performance measures

- https://www.whitehouse.gov/sites/default/files/omb/part/performance_measure_examples.pdf

2. New York City Hall, USA: Indicators

- http://www.nyc.gov/html/ops/cpr/html/home/home.shtml

3. Local Government, UK: Performance indicators

- http://archive.audit-commission.gov.uk/auditcommission/sitecollectiondocuments/Downloads/0708_AC_Best_Value_Guidance_2007_08.pdf

4. City of Tulsa, United States: Key performance indicators (KPIs)

- https://www.cityoftulsa.org/our-city/financial-reports/key-performance-indicators.aspx

5. WA Government, Australia: Key performance indicators (KPIs)

- https://www.agric.wa.gov.au/improvement-tools-critical-success-factors-and-key-performance-indicators

General comments: Although, the term used when refering to KPIs ca widely vary, it is important to ensure that a common language is used within the entity. The usage of ”Key Performance Indicators” is one of the most popular terms used in practice and it can be clearly differentiated as a concept from a simple performance measure or indicator.

The KPI Institute’s perspective: To keep things simple in terms of terminology, The KPI Institute recomends the usage of 3 key concepts:

- **Metrics** - referring to something that can be measured, a value or a quantity. They can be used to monitor different processes, without desired targets to be reached.
- **Key Performance Indicators** – metrics that make objectives quantifiable, providing visibility into the performance of individuals, teams, departments and organizations and enabling decision makers to take action in achieving the desired outcomes.
- **Key Risk Indicators** - metrics that provides an early warning regarding an increased risk exposure in a certain area of operations.