

5 Chart Performance Roadmap

The 5 Chart Performance Roadmaps is a method of showing results and conveying a clear message to a broad set of audiences.

1 KPI TREND

The average or moving sum of a KPI over time. Shows direction of measure.

2 KPI YEAR-OVER-YEAR

The actual values for the same KPI where each year is a series. Shows changes compared to prior years.

3 PRODUCTIVITY MEASURE

TREND

KPI divided by another KPI (e.x. Sales, Inventory, Investment, # of Employees)

4 PRODUCTIVITY MEASURE

YEAR-OVER-YEAR

The actual values for the same productivity measure. Shows changes versus prior years.

5 PEER PRODUCTIVITY

MEASURE TREND

(OPTIONAL)

KPI divided by a major driver of the KPI. Shows how others performed using the same measure and time periods (usually quarter)

Whitepaper courtesy of:

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A 5 Chart Performance Roadmap

COMPONENTS OF A PERFORMANCE ROADMAP

A typical Performance Roadmap consists of a set of graphs which chart progress toward a single goal.

A set of chart formats provide consistent context for all of the Key Performance Indicators (KPIs) or organizations.

One set of chart formats we have found useful consists of:

- KPI Trend
- KPI Year-over-Year
- Productivity Measure Trend
- Productivity Measure Year-over-Year
- Peer Productivity Measure Trend

At least two and no more than five years of history provides the most useful results.

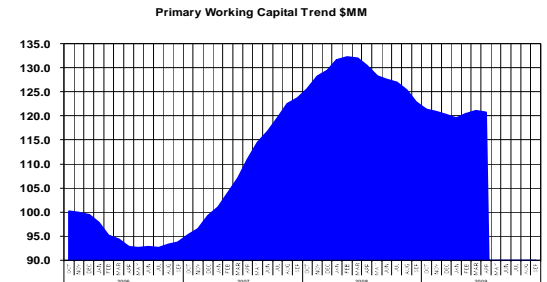
Use the same chart formats for every KPI and organization presented in a Performance Roadmap. This makes the set of charts easier to understand by a broader set of audiences.

KPI TREND

A KPI Trend chart shows the historical context of a measure. At least two and no more than five years of history provides useful results.

A forecast may be presented with the KPI trend to show the

likelihood of achieving this year's target. This is usually included with Sales and Earnings.

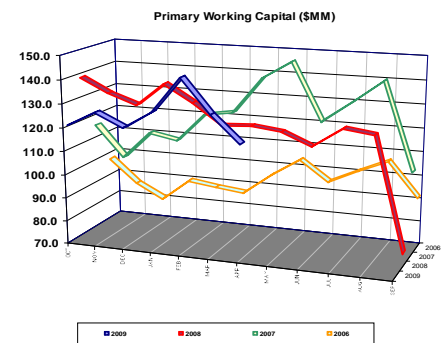


KPI Trend Example

Taking the trend of the KPI removes the noise due to seasonal volatility.

KPI YEAR-OVER-YEAR

The actual KPI measures are depicted in a Year-over-Year format. This shows the variance in same period.



KPI Year-over-Year

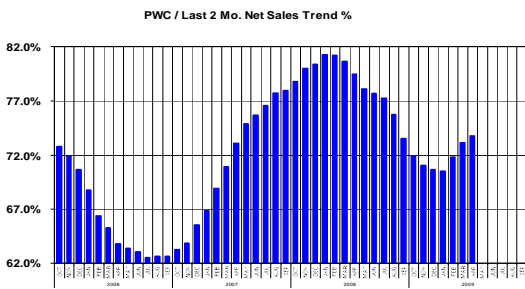
Changes in the cash flows which are causing the KPI trend are easily seen.

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PRODUCTIVITY MEASURE TREND

The KPI is divided by a key measure of the business function to create a productivity measure. Sales, Inventory, Number of Employees, Number of Units are several examples of key measures which could be used for the denominator.

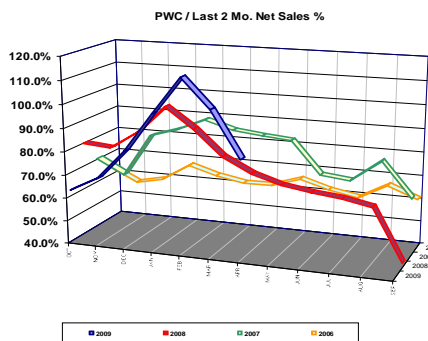


Productivity Measure Trend Example

The Productivity Measure makes it possible to fairly compare the performance of business units of different sizes.

PRODUCTIVITY MEASURE YEAR-OVER-YEAR

The Productivity Measure is presented in a Year-over-Year chart.



Productivity Measure Year-over-Year Example

When multiple years' measures track together it highlights cycles

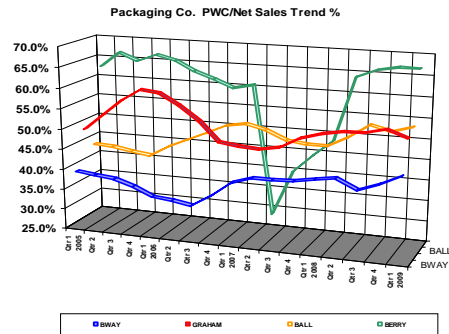
in the measure. When a single year line does not rise and fall with previous years a change in the underlying business is identified.

PEER PRODUCTIVITY MEASURE TREND (OPTIONAL)

The Productivity Measure Trend chart contains more than one organization. Peer organizations, competitors or leading performers can be used.

This chart measures the effectiveness of the organization by comparing the same measure over the same time periods.

CONCLUSION



Peer Productivity Measure Trend Example

Performance Roadmaps can replace your standard reports for multiple audiences.

They will improve your analysis of your results, help focus your team on your priorities, and clarify your message to your

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