

Use this guide as a reference when kicking off any project to help identify and establish appropriate Key Performance Indicators (KPIs).

The Two Magic Questions

What is this initiative supposed to do?
How will we know if it did that?

Check! Have you answered the two magic questions?

Establish Appropriate Measures

Open-Ended Questions (Avoid "Yes/No")

Tell me about what you hope this initiative will accomplish.

"What?" and "How?" rather than "Why?"

What would you hope to be able to say this initiative achieved for the overall business?

How will others in the business gauge whether this initiative was a success?

The Power of Restatement

Let me play this back to you to make sure I'm clear on what you're saying...

Follow up with e-mail and/or documentation: As we discussed, we will measure the success...

Establish Targets

If benchmarks and/or historical data are readily available, then use it. If not...

Back-of-the-Napkin Creativity

What data could be used to back into a rough estimate (database size, web site traffic, Nielsen demographic data, etc.)?

Can we back into estimates from multiple directions and see if they converge?

Bracketing

If we achieved <insanely low number>, would this project be a success? What about <higher number>?

If we achieved <insanely high number>, would this project be a success? What about <low number>?

Establishing a range – "bare minimum" to "stretch goal" is okay

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