



# RETHINKING SUCCESS:

## How to Define, Measure and Drive Performance in Your New Workplace Normal

The “stick” for measuring success has changed. Learn the KPIs to understand - and optimize - your company’s, your team’s and your own performance:

The pandemic changed our approach to everything, including work. As our priorities shift, so do the ways in which we need to define and measure performance among individual workers, teams, and company leadership.

### **In this eBook, you’ll learn:**

- Why now is the time to rethink your performance metrics.
- How to define and measure success for workers, teams, managers and leaders.
- Where to turn for help with staffing and performance.



# HOW TO CREATE BETTER KPIS

The best KPIs are both measurable and achievable. To create better KPIs:

## Think...

...about what you're measuring and why it matters. What really impacts your bottom line? Factors like performance and trust play a big role.

## Include...

...employees throughout the process. As strategies shift in the face of goal-setting and accumulated data, seek worker feedback:

- What matters from their point of view?
- What would they change to better reach their goals?

## Develop...

...KPIs with employee input. When employees agree on what matters, they can focus their efforts on those elements - improving measures as a result.

## Embrace...

**OKRs.** Objectives and key results (OKRs) are set by teams, giving teams more input and a clearer sense of:

- what they need to do
- how to do it
- what success looks like

Used alongside KPIs, OKRs can be a powerful way to generate buy-in and keep everyone working toward the same goals.

# HOW THE PANDEMIC CHANGED THE RULES FOR SUCCESS

The pandemic changed our perspectives on many things, including how to evaluate performance. A new emphasis on skill-building has pushed many companies to focus on finding the right measurements for skill growth, rather than role performance.

**To help track skill development, choose metrics that provide insight into skills like:**

- Self-discipline
- Communication effectiveness
- Learning and development
- Motivation and career growth



**TO MEASURE PERFORMANCE,**

# **DEFINE IT FIRST**

The first step in measuring performance is to define performance. The second step is to ensure that metrics used to track performance actually account for factors within the control of the individual, team or department being measured.

For example, a metric for employee self-discipline might track the tasks an employee completes on their own, but it must also rule out tasks that could not be completed due to factors outside the worker's control. Otherwise, the resulting numbers will not paint an accurate picture of the worker's self-discipline.

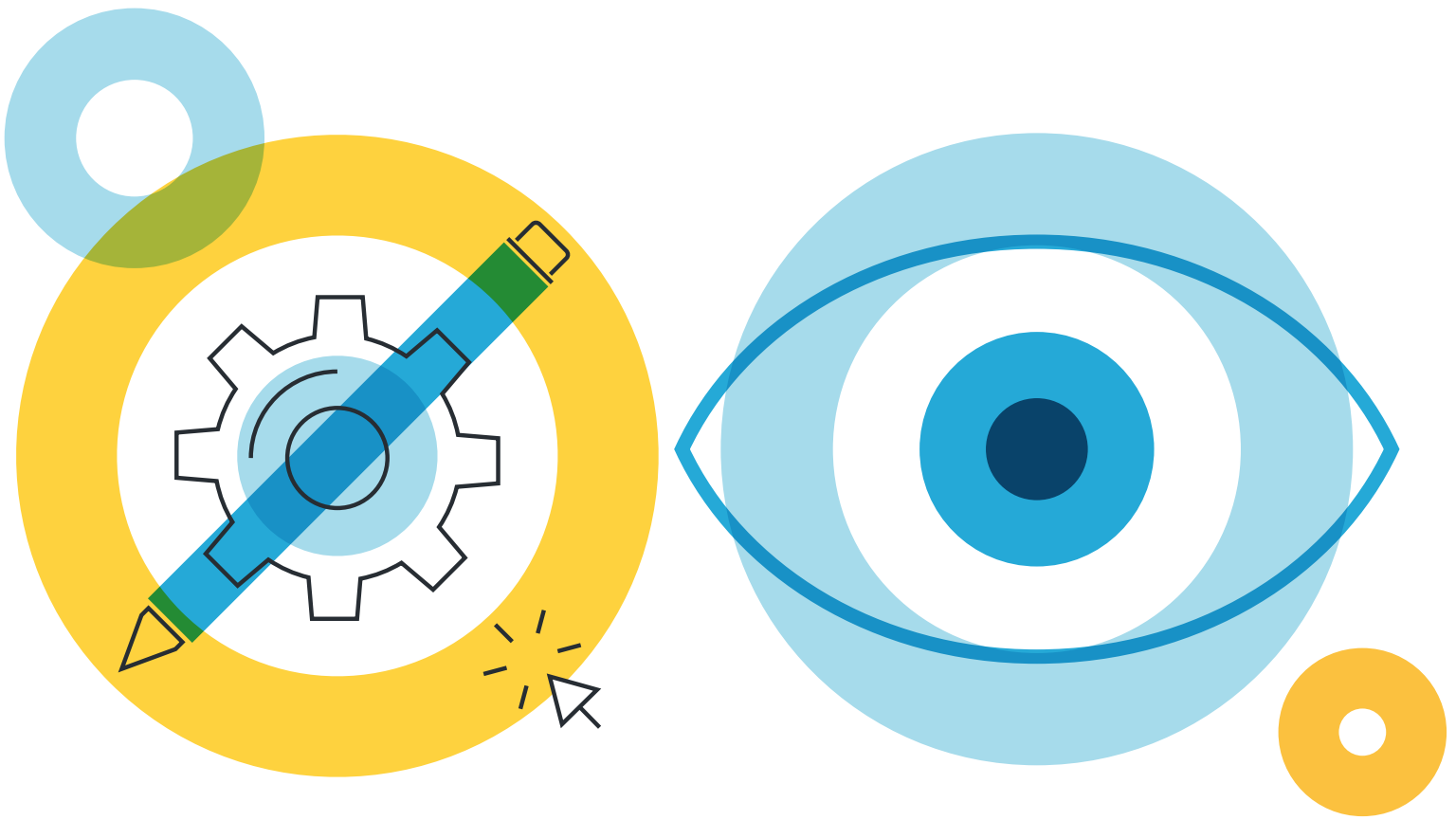




# DEFINING PERFORMANCE FOR INDIVIDUALS

It's no secret that individual worker performance has a cumulative impact upon company goals. Yet where does the company need more - or less - from its workforce in order to succeed?

Taking a top-down view of performance, in which individual tasks are related directly to overarching goals, can help define performance for individual workers. As each person's place on the team is defined, determine which factors should be measured to understand that definition and guide the worker's growth.



# MEASURING PERFORMANCE FOR INDIVIDUALS

As performance goals and metrics are defined for individual workers, companies can then choose metrics that help both the employee and leadership better understand their role, their goals, and growth options for developing in their role and in their overall career.

**For example, metrics for individual workers might include:**

- Quotas or expectations for work or output, like units assembled or calls placed,
- Skill-building metrics like learning opportunities, projects or classes,
- Revenue or profit per individual.



# DEFINING PERFORMANCE FOR TEAMS

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Many organizations find it easiest to begin defining performance at the team level, as it can be easier to see how each team's contributions affect the company's performance as a whole.

**Here, it's important to focus on two factors:**

- **Team Responsibility:** What is the role of the team or department, and what does success in that role look like?
- **Team Building:** What does a strong, successful team look like, and how can the company measure that strength or success?

Answers to these questions can affect both the individual and workforce-wide performance measurements.

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# MEASURING PERFORMANCE FOR TEAMS

The two factors for defining performance for teams also guide measurements of team performance.

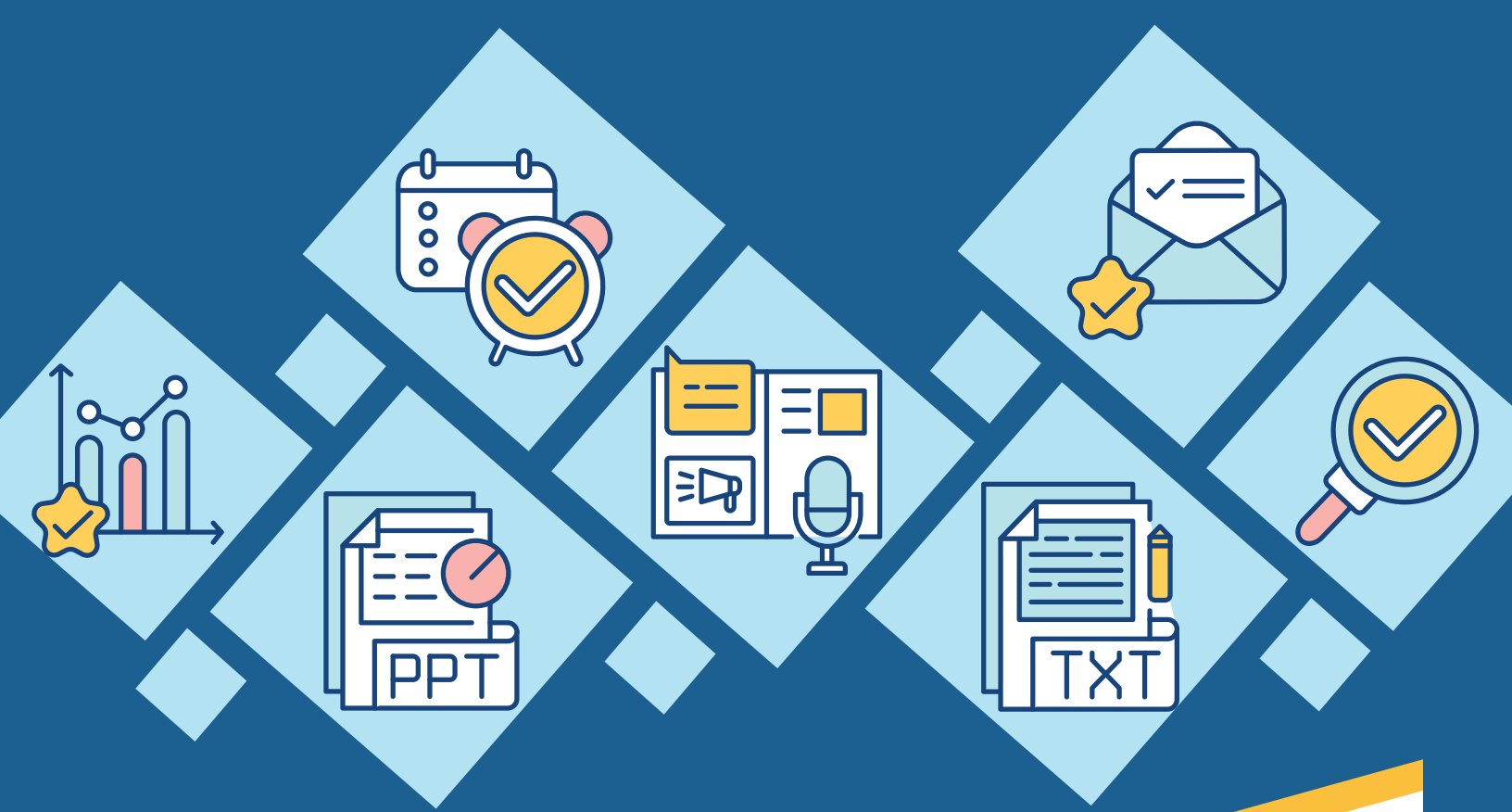
**To measure team responsibility performance, look for metrics that directly relate to the team's work and output. These might include KPIs like:**

- Units produced or sold
- Error rates
- Total number of customer or client interactions
- Customer retention and satisfaction

**To measure team building, look at metrics that affect the team's composition, like:**

- Turnover rates
- Percentage of top performers in managerial and worker roles
- Worker satisfaction





## **SPECIAL TEAMS:** **Performance for Hybrid Workforces**

The pandemic pushed every industry to move to a remote basis where possible. In so doing, it disrupted the way we thought about work itself, including the lines between work and home.

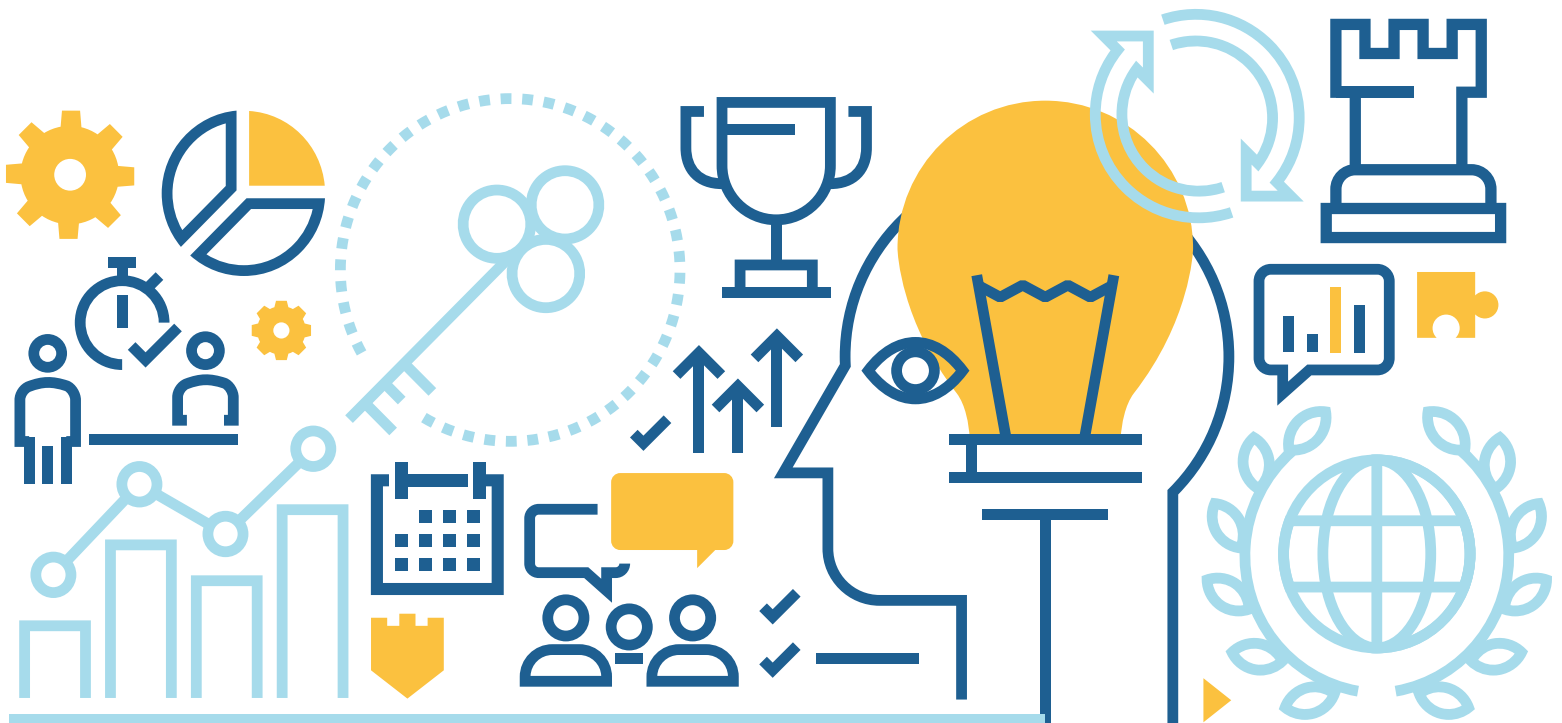
Tracking utilization rates, or the efficiency of how workers spend their time, can help company leadership understand the impact of remote or hybrid work on their teams' performance. To track utilization, calculate the time an employee spends on client or customer tasks and divide by the total number of hours worked.

# DEFINING PERFORMANCE

## FOR MANAGERS AND LEADERS

Managers and leadership play a special role in guiding, teaching and setting standards and goals for any company. As a result, their performance should be measured by a set of KPIs that focus on these responsibilities, as well as their day-to-day tasks.

While not all workforce performance can be traced back to a specific manager or leader, taking a holistic view of metrics at this level can help leaders better understand which efforts help build better teams and employees, and which do not.



# MEASURING PERFORMANCE FOR MANAGERS

One way to measure manager performance is to measure how workforce teams and customers respond to the company. Top KPIs for measuring managers' performance thus include:

- staff engagement and satisfaction rates;
- team retention and training expenditures and results;
- utilization rates, measuring how employees use their time at work; and
- culture-related metrics like turnover and burnout rates.





# MEASURING LEADERSHIP PERFORMANCE

Since managers also lead teams, many of the same definition issues for management leadership also apply to defining performance for executives, business owners and other senior decision-makers.

**Essential KPIs to consider when measuring leadership performance include:**

- Number of top performers or “A” players on the leadership team.
- Progress on and adherence to leadership team development plans.
- Attention to company-level KPIs.



# MEASURING BUSINESS PERFORMANCE

The joint efforts of every worker, team, manager and leader contribute to - or pull away from - the company's overall business performance. This performance, in turn, can be measured with various KPIs that each provide a different perspective on what performance and success mean. Taken together, these KPIs can provide a nuanced view of business performance.

**Top business-level KPIs to consider include:**

- Net cash flow percentage
- Return on investment percentage
- Brand promise delivery, including net promoter scores and percentage of returning versus new customers
- Profitability
- Market share
- EBITDA

# BUILDING YOUR TEAM FOR FUTURE SUCCESS

As your organization defines and measures performance, the numbers may reveal certain gaps or shortcomings in your company's overall approach to staffing. This information can reveal strategic business benefits to working with a staffing partner.

For example, your staffing partner can:

- **Help you beat the talent shortage** by connecting your organization to passive candidates who are highly qualified but also highly selective in the work they'll consider.
- **Optimize resource allocation** by allowing your organization to commit its internal resources to big-picture goals, while your staffing partner focuses on recruitment.
- **Provide the expertise necessary** for top-level recruiting, so your existing teams can focus on their own areas of expertise within the company.
- **Save both money and time** by reducing the costs of hiring and streamlining the hiring process.

