**DAVID PARMENTER** is an international presenter known for his thought-provoking and lively sessions, which have led to substantial change in many organizations. He is a leading expert in the development of winning KPIs, replacing the annual planning process with quarterly rolling planning and lean finance team practices. Parmenter's work on KPIs is recognized internationally as a breakthrough in understanding how to make performance measures work. He has delivered workshops to thousands of attendees in 30 countries around the world. Parmenter has worked for Ernst & Young, BP Oil Ltd, Arthur Andersen, and PricewaterhouseCoopers, and is a fellow of the Institute of Chartered Accountants in England and Wales. He is a regular writer for professional and business journals. He is also the author of *Winning CFOs: Implementing and Applying Better Practices*, *Key Performance Indicators for Government and Non Profit Agencies: Implementing Winning KPIs*, and *The Leading-Edge Manager's Guide to Success* (all from Wiley). He can be contacted via parmenter@waymark.co.nz. His website, www.davidparmenter.com, contains many white papers, articles, and freeware that will be useful to readers.
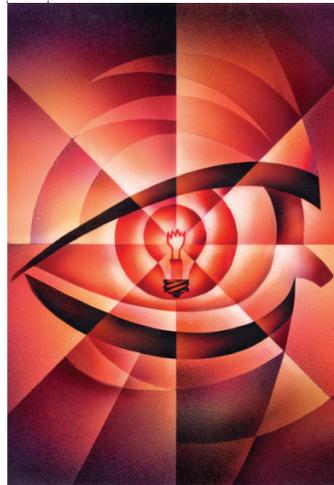
Most measures are wrong and inappropriately labelled and are described so aptly by William Shakespeare's line, "Full of sound and fury signifying nothing." This book helps organization's develop, implement, and use key performance indicators (KPIs)—the performance measures that make a profound difference.

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—**SUZANNE TUCKER,** CEO, The CFO Edge, Inc.

"David's KPI methodology is easy to understand and share, and facilitates the identification and implementation of KPIs in any business. His approach drives improvement in operational performance."
—**SCOTT HODGE,** President and Performance Architect, Associates in Management Excellence

This book has been written to assist organizations with developing, implementing, and using winning key performance indicators (KPIs)—those performance measures that will make a profound difference. A KPI project is a chance at a legacy—that will positively affect the organization for years to come. KPI projects entail some risk, but this book works to minimize that risk by arming the reader with tools and information they need up front.

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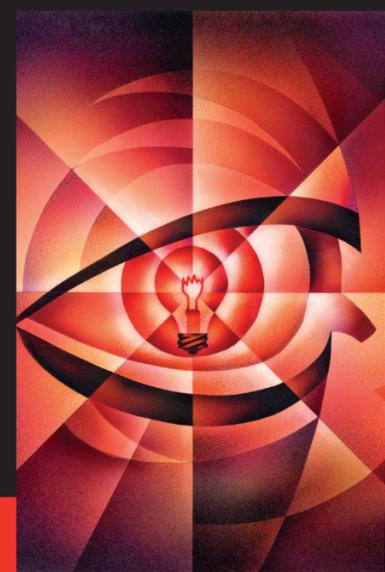**Includes a web-based 100 page toolkit**

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KEY PERFORMANCE INDICATORS

Developing, Implementing, and Using Winning KPIs

DAVID PARMENTER

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Most organizations use the wrong measures, most of which are incorrectly termed key performance indicators (KPIs). Measures are destroying value and encouraging inappropriate activities, inhibiting projects, strangling outsourcing arrangements, and limiting the effectiveness of balanced scorecards. Measures should be segregated between those that report on collective efforts (result indicators) and those measures that can be tied to a team that will enhance performance (performance indicators).

In *Key Performance Indicators*, performance measurement expert David Parmenter has developed a clear set of steps that enable leaders to avoid these pitfalls and create KPIs that meaningfully reflect short- and long-term organizational performance. The book includes:

- The seven characteristics of KPIs
- The important difference between result and performance indicators
- A new simplified six-stage process for developing and using KPIs
- The myths of performance measurement that impede your progress
- Why KPIs should not be used in performance-related pay
- The significance of the paradigm thought leaders (e.g., Peter Drucker's abandonment)
- The importance of understanding the dark side of performance measures
- How to ascertain performance measures that work
- A kit to help you find your organization's critical success factors, the source of all meaningful measures
- The need for an in-house measurement expert
- How to lead and sell change in measurement practices
- Worksheets, checklists, and questionnaires for KPI leaders to get quick runs on the board
- Over 200 performance measures