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KPI SYSTEMS AND BALANCED SCORECARD QUICK START CHECKLIST

Score your key figure system in one hour, with definitions you can point at.



CHOOSE. DEFINE. SHOW. DECIDE.

START HERE

How to Use This Check

One plant or one area, one hour with the person who owns the reporting, twenty-five statements, one number.

01 LOOK	02 SCORE	03 ACT
Put the real material on the table: the monthly report, the boards of two lines, the file the numbers are typed into and the minutes of the last review.	Score each statement from 0 to 4. Without a definition sheet, a chart or a minute you can point at, the score is 2 or lower.	Pick the weakest block and agree one action with an owner and a date before you leave.

The Scoring Scale

POINTS	MEANING
0	Not in place.
1	Happens occasionally, depends on individuals.
2	Partly in place, not consistent across areas or levels.
3	Mostly in place and visible in the data.
4	Consistently in place, visible, reviewed and improved.

> **WHY THE SYSTEM, NOT THE SINGLE FIGURE**
>
> **Most plants do not lack key figures. They have too many, defined in too many ways, owned by nobody and read by few. A system of twenty-four figures that people trust steers better than a report of one hundred and forty-six that nobody opens.**

Before You Start

- **Scope:** one plant or one area with its own reporting and its own review meeting.
- **Evidence:** the current report, two line boards, the definition of three figures and the action list of the last two reviews.
- **Tone:** you check the system, not the people who built it. Ask what decision a figure supports, not why it exists.

THE CHECK

01 Purpose and Selection

NO.	CHECK	SCORE 0 TO 4
01	Every key figure in use has a written purpose: the decision it supports and the person who makes that decision.	
02	The number of key figures per level is agreed and limited, and nobody reports a figure that is not on the list.	
03	Each figure has one named owner who explains deviations, and the owner is a person, not a department.	
04	Figures are checked for wrong incentives before they are published, and figures that can be gamed are published as a pair (for example output together with quality).	
05	A figure that led to no decision in the last four reviews is rewritten or retired.	

02 Definition and Data

NO.	CHECK	SCORE 0 TO 4
06	Every figure has a definition sheet on one page: formula, unit, data source, scope, measuring rhythm and owner.	
07	The data source is named down to the system, report or form, and a second person can reproduce the value from it.	
08	The collection method is recorded (from a system, by hand, by sample) and the known error sources are written next to it.	
09	Values are checked against the raw data at least twice a year, and every change to a definition is dated and communicated.	
10	Areas and plants that report the same figure use the same definition, and every local exception is documented.	

THE CHECK

03 Targets and Limits

NO.	CHECK	SCORE 0 TO 4
11	Every figure has a baseline with the period it was measured in, so that progress is counted from a known start.	
12	Targets have a value, a date and an owner, and they are derived from the plant targets instead of last year plus a percentage.	
13	Every figure has a tolerance and a reaction limit, so that it is clear without discussion when an explanation is due.	
14	Figures are shown against the previous year and, where data exists, against an external reference whose source is named.	
15	Targets are reviewed when product mix, capacity or organization changes, not only at the turn of the year.	

04 Balance and Cascade

NO.	CHECK	SCORE 0 TO 4
16	The system covers all four views (finance, customer, process, people and learning), and no view rests on a single figure.	
17	The expected cause and effect chain between the views is written down, so that it can be tested and corrected.	
18	Each level reports only figures it can influence, and a figure keeps one definition at every level.	
19	The number of figures falls from plant to area to line: a line board carries a handful, not a copy of the plant report.	
20	Every area and line knows which plant figure its own figures feed, and the link is visible where the figures are shown.	

THE CHECK

05 Visualization and Routine

NO.	CHECK	SCORE 0 TO 4
21	Every figure is shown as a trend over at least twelve periods with target and reaction limit, not as a single colored dot.	
22	Charts are readable from standing distance, keep the same scale over time and are updated by a named person on a fixed day.	
23	A fixed review meeting discusses the figures outside their reaction limit, and the owner of the figure explains the deviation.	
24	Every deviation discussed ends with one action with an owner and a date, and the action list is checked at the next meeting.	
25	The system itself is reviewed at least twice a year: figures retired, targets adjusted and the effect of the changes checked.	

Your Result

BLOCK	POINTS	OUT OF
01 Purpose and Selection		20
02 Definition and Data		20
03 Targets and Limits		20
04 Balance and Cascade		20
05 Visualization and Routine		20
TOTAL		100

YOUR RESULT

Read the Number

The total tells you how much of your reporting steers. The weakest block tells you where to start.

TOTAL	WHAT IT MEANS	WHAT TO DO FIRST
0 to 39	Decoration. Many numbers, few definitions, no owners.	List every figure with owner, source and last decision. Then cut.
40 to 59	Reported. Numbers arrive, targets and owners are missing.	Write a definition sheet per figure. Add target, tolerance and limit.
60 to 79	Steering. Figures are owned, the four views are covered.	Write the cause and effect chain. Cascade without copying.
80 to 100	Alive. Small, trusted, cascaded and reviewed twice a year.	Hold the level. Retire what no longer steers.

Your Three Priorities

NO.	WHAT TO IMPROVE	FIRST ACTION	OWNER	DUE

THE RULE FOR EVERY ACTION

Owner and date, or it did not happen. Repeat the check after three months and compare the blocks, not the feeling.

What to Do Next

NEXT STEP	WHAT YOU GET
KPI SYSTEMS STARTER KIT	The guide for the first 30 days, plus the Excel workbook with catalog, definition sheets, targets, monthly entry and the scorecard.
KPI SYSTEMS EXCELLENCE BUNDLE	The full playbook, a two-day workshop pack, eight templates, the Excel system with chain, cascade, actions and audit, and a workshop deck.

Both are available at operationsinsider.com.