

# Key Performance Indicators

**WHAT is a Key Performance Indicator?:** Key Performance Indicators (KPI's) {also known as Key Success Indicators} help an organization define and measure progress toward goals. KPI's are not expressed in financial or monetary figures.

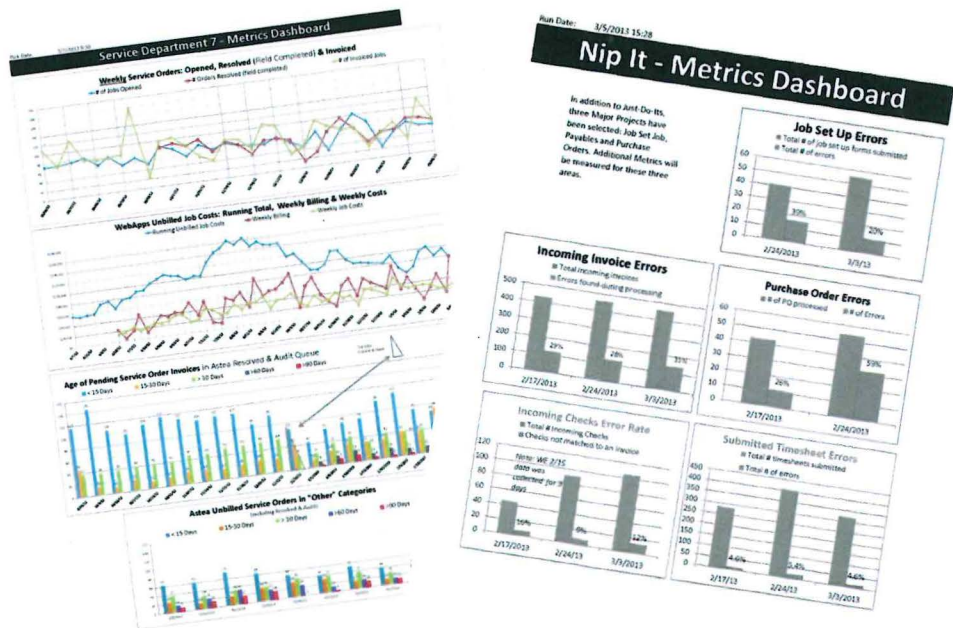
**WHY use them?:** Once an organization has defined its goals, it needs a way to measure progress toward those goals. KPI's are those measurements which reflect the critical factors to success.

**HOW does Jamar use them?:** Leadership identifies an area of opportunity within the company. We commit resources to the issue, ask lots of questions, and do some observation. We begin tracking the process error rate which leads to the identification of key indicators. These indicators tell a story and help us identify process improvements to meet the goal.

**K:** Identify the elements (functions, processes, steps or tasks) that add the most significant value to achieving the goal.

**P:** Determine a specific measure that indicates how well something is being done toward a goal.

**I:** Indicators that define a set of values to measure against.



*Dashboards show quantifiable measurements*

The most recent Lean project – “Nip It in the Budget” focuses on Administrative processes. Using KPI's we identified three key areas – payables, PO's, and subcontracts to focus attention on as a means to improve the process and directly affect Jamar's bottom line.

The dashboard noted above will be used to track progress over time. Eventually this data is turned into graphs as you see above in the Service dashboard, a result of the SGI initiative.

If you have questions or comments, please contact a member of the Steering Committee: Roger Daoust, Shaun Johnson, Cindy Luoma, or Cindy Martins

**SOLID PARTNERS. SOLID SOLUTIONS. SOLID SERVICE.**

## JAMAR'S LEAN PURPOSE:

Increase Customer Value Through:

- Empowering Our People
- Eliminating Waste
- Enhancing Productivity