Key Performance Indicators, KPI's

An Indicator is

"A quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect changes connected to an intervention, or to help assess the performance of a development actor" (OECD/DAC)

"Key", because:

this aspect is of fundamental importance for the sector or the area of intervention.

Examples

|	
Education:	**enrolment, drop-out rates**
Health:	**malaria fatality rate**
Energy:	**# of households connected to grid**
Governance:	**# registered <=> # eligible voters**

"Performance", because:

this aspect can be clearly influenced by the actors in the sector

The ACCRA ACTION AGENDA states "Achieving development results – and openly accounting for them – must be at the heart of all we do"

Key performance indicators (KPI's) support

➢**Measuring achievements of results**
➢**Openly accounting for results**
➢**Evidence-based decision-making and learning!!**

(Albert Einstein, 1879-1955)
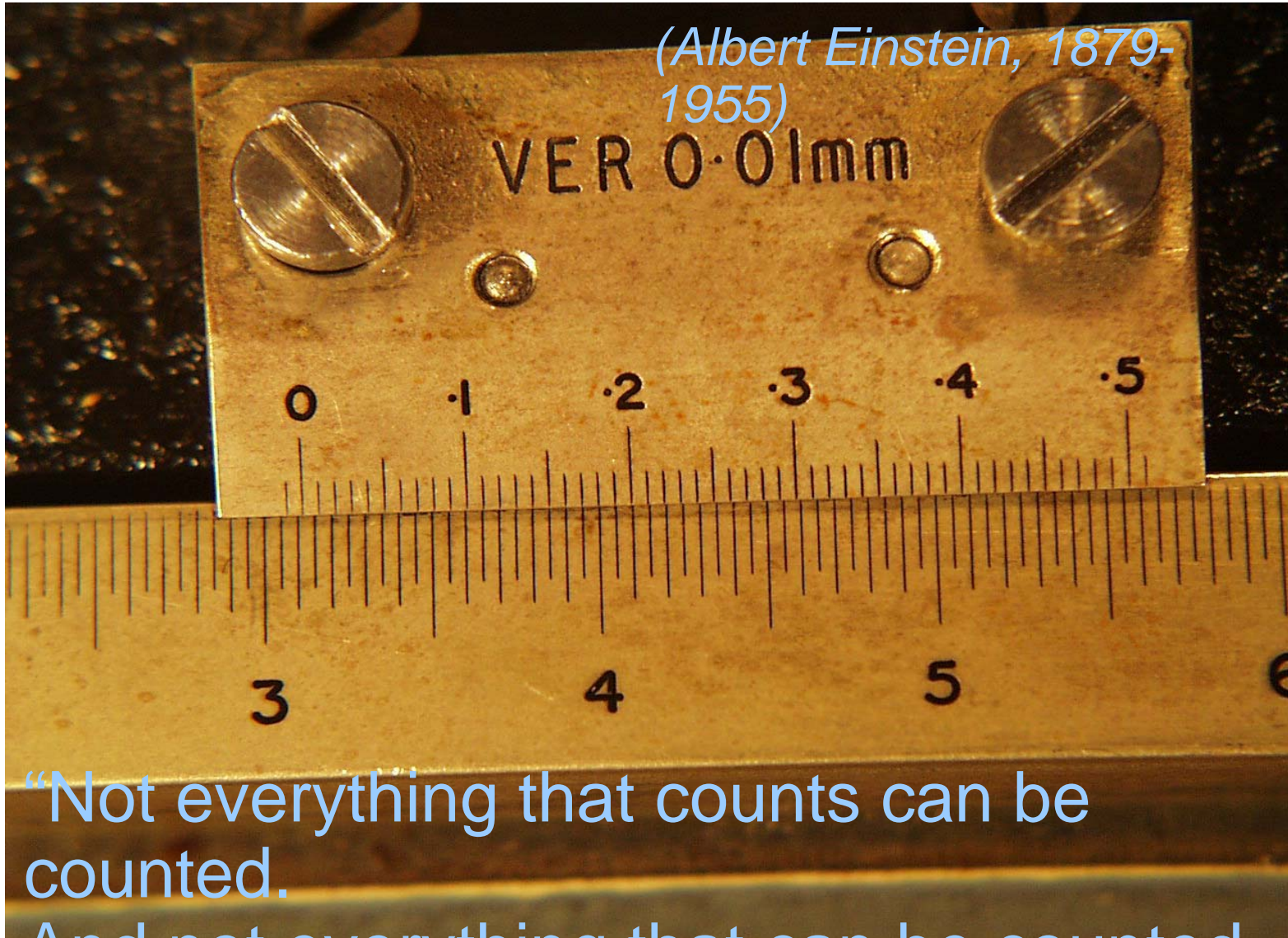
"Not everything that counts can be counted.
And not everything that can be counted,

ATTRIBUTES OF GOOD KPI's

- **S** — • Specific
- **M** — • Measurable
- **A** — • Agreed upon, Acceptable, Achievable, Attainable
- **R** — • Realistic, Relevant
- **T** — • Time bound

All (development) results should be measurable

More Water Connections →	Citizens use clean water →	Improved Hygiene →	Water Borne Diseases Diminished
162,000 connections by 2006 →	85% of citizens By 2007 →	60% of citizens Know what to do →	Nr. of cases X,Y,Z reported
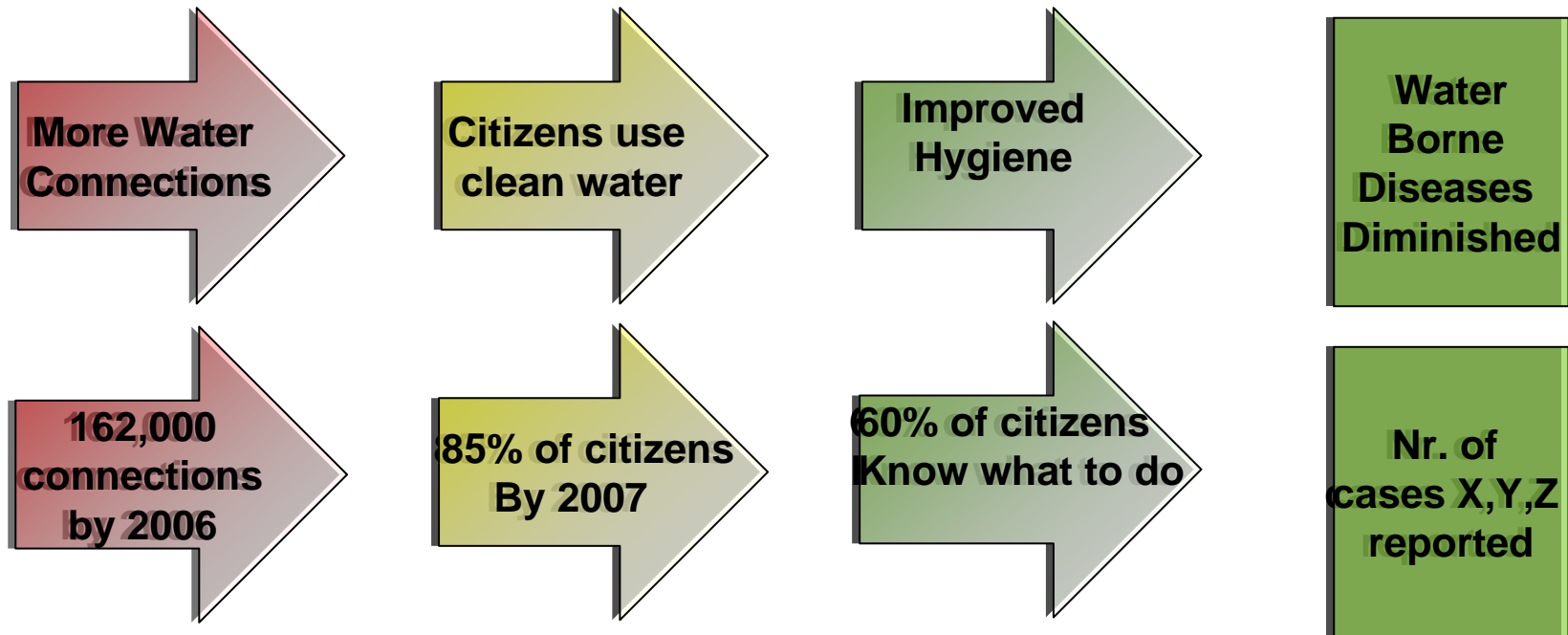
- **Outcome: number of students finishing primary education increased.**

- **Indicator: In SY 2008/9 number of students promoted from primary education is 84%, compared to 78% in SY 2007/8**
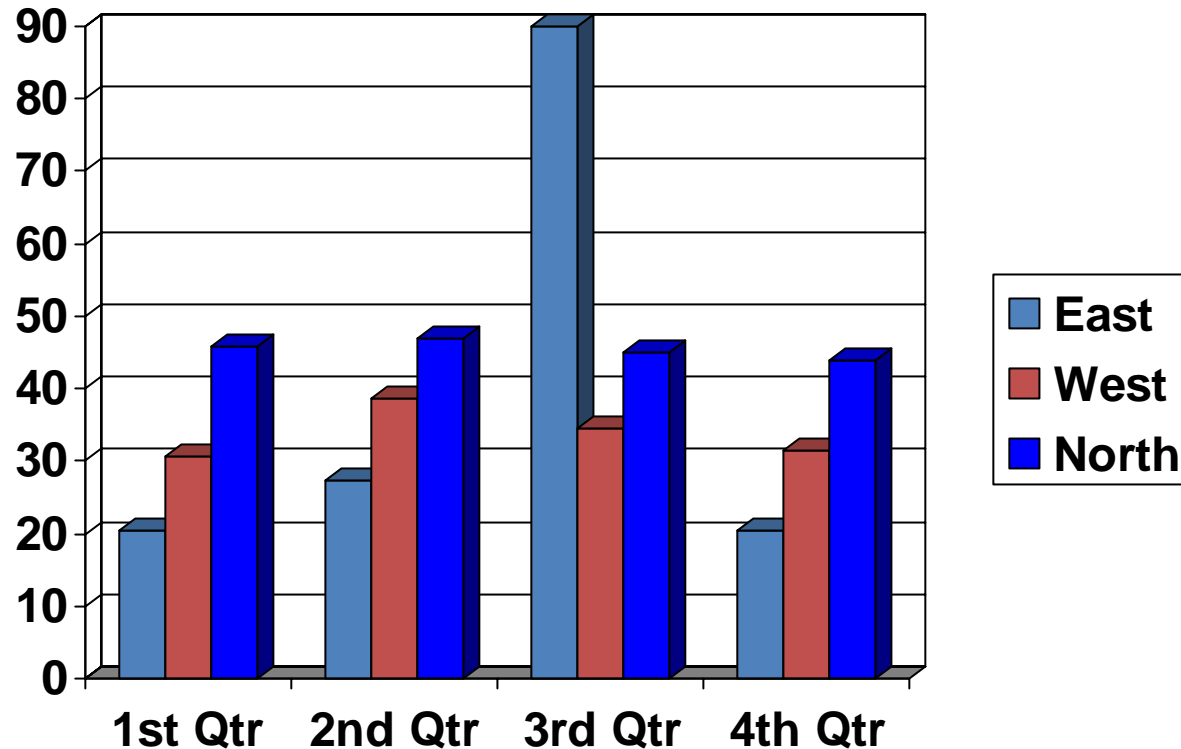
Note: specification of % girls and boys

1. **<u>Accuracy</u>: exact measurement**

2. **<u>Sensitivity</u>: easy reflection of changes in subject of measurement**

3. **<u>Reliability</u>: more consistent and less given to manipulation**

4. **<u>Accessibility</u>: verifiable within reasonable costs**

> **Actual work on KPI's highly depends on effective monitoring system and credible national statistics**

Time for questions

- **Prepare performance indicators for your result chain: outcome and output**
- **Write on cards**
- **Make sure they are SMART**
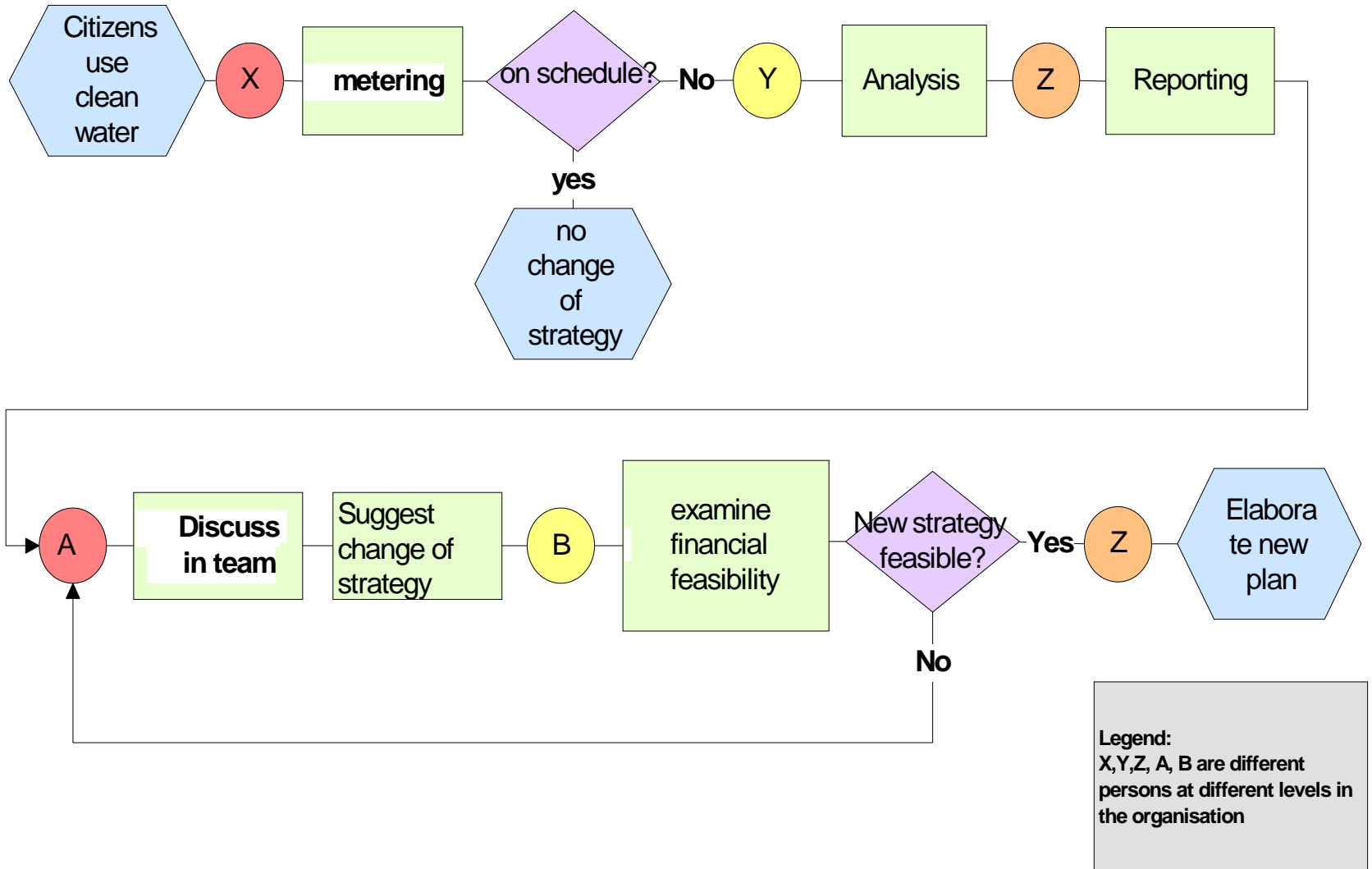
GROUP WORK 3

Sharing and Reflection

1. **All but one person, please go and sit with the other TWG at your table. One person remains to explain.**

2. **The host writes down and summarises feedback about the appropriateness of the indicators.**

3. **The host will report in plenary.**

Instruction for group discussion at table

- **Reflect on the indicators. Look for expected qualities. Are the indicators sufficiently SMART?**

- **Are the indicators measuring the planned results and specifically the outcome?**

- **Discuss and agree on feedback to share in plenary.**

Information Flow

Citizens use clean water → X → **metering** → on schedule? —**No**→ Y → Analysis → Z → Reporting

on schedule? ↓ **yes** → no change of strategy

A → **Discuss in team** → Suggest change of strategy → B → examine financial feasibility → New strategy feasible? —**Yes**→ Z → Elaborate new plan

New strategy feasible? ↓ **No** → A

Legend:
X,Y,Z, A, B are different persons at different levels in the organisation

Prepare an information flow from one of your results of the chain.

○ **Make an information flow showing the starting/end points, activities, decisions, and actors.**

○ **In your example show who is involved to report, analyse, propose and decide.**

○ **Identify places where bottlenecks influenced the information flow.**