

Identifying Key Performance Indicators: The Foundation of an Institutional Dashboard

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What is a Dashboard in Higher Education?

- A brief document that graphically displays critical institutional information in a succinct, easily understood, visually appealing format
- A tool to communicate the current health of the organization and its progress toward its strategic objectives


Purposes of Dashboards

- To communicate current information about major indices of organizational performance to primary stakeholders
- To provide information to assist in evaluation of organizational performance
- To provide a comprehensive analysis of how the organization's achievement of its strategic objectives leads to effectively carrying out its mission and vision
- To provide information about organizational performance compared to appropriate benchmarks

- Institutional leadership has a responsibility to be accountable to both internal and external stakeholders
- Stakeholders want/need accurate, concise, easy-to-understand, up-to-date data & information about organizational performance
- Traditional communication sources in higher ed. (e.g., annual reports) are usually obsolete by the time they reach stakeholders and typically fail to provide necessary/sufficient detail about organizational performance


- A limited set of measures—usually referred to as **“Key Performance Indicators” (or KPIs)**
- An integrated data structure for that set of measures
- A source of comparative benchmarks for the measures
- Graphics for displaying the measures

- Operationally focused—tied to the institution’s mission and strategic plan
- Timely
- Accurate
- Easy to understand
- Represents the current state of the organization
- Provides a straightforward summary of organizational performance


KPIs — What Are They? 

Data elements that :


- Measure core inputs, outputs, and outcomes
- Reflect the institution’s strategic plan and core business
- Measure high priority operations of the institution
- Measure institutional characteristics that are important and meaningful to stakeholders
- Measure institutional performance in areas in which it must be successful to survive and be competitive

Examples of KPIs 


- Enrollment
 - Fall headcount enrollment
 - Percent of area high school grads enrolling subsequent fall
- Student progress
 - Fall-to-fall persistence
 - Term-to-term persistence
- Student success
 - Graduation rate
 - Transfer rate
 - Workforce placement rate

Sources of KPIs 


- Institution mission statement and strategic plan
- For community colleges—“Core Indicators of Effectiveness for Community Colleges” (Alfred, Shults, & Seybert), published by AACC
 - Identifies and describes 16 core indicators in six major categories:
 - Student progress
 - General education
 - Outreach
 - Workforce development
 - Contribution to the public good
 - Transfer preparation

Identification of KPIs—Who's involved 

- Effort usually led by a Dashboard Development Team
 - Representative of senior leadership
 - Representative of IR
 - Representatives of key constituencies
 - Faculty
 - Student affairs
 - Others
- Team solicits input from affected work groups and administrators
- Senior leadership (president's cabinet?) makes final determination of which measures reflect key functions and are included in the dashboard


NCTC KPI Workshop Participants 

- **President & Members of President's Cabinet**
 - Vice President of Instruction
 - Vice President of Student Services
 - Vice President of Institutional Advancement
 - Dean – Bowie Campus
 - Senior Director of Campus Operations
- **Instructional Leadership Team**
 - Dean of Health Sciences
 - Dean of Arts & Sciences
 - Dean of Advanced & Applied Technology
 - Dean of Lifelong Learning
 - Department Chair – College Preparatory Studies

NCTC KPI Workshop Participants 


- **Other Administrators**
 - Dean – Corinth Campus
 - Associate Dean of Student Services (Corinth Campus)
 - Director of Admissions/Registrar
 - Chief Information Officer
 - Director of Institutional Research & Effectiveness
 - Director of Academic & Student Support Services
 - Coordinator – Student Success Center

The KPI Day-long Kickoff Workshop




- Selecting a facilitator
 - Critical decision
 - Internal or external
 - Experience & expertise
- Team solicits input
- Pre-workshop “homework”
 - Mission/vision/values statements
 - Strategic plan
 - AACC “Core Indicators of Effectiveness for community colleges”

NCTC KPI Workshop




- The “work”
 - Introductory presentation by facilitator (45-60 minutes)
 - Divide into small groups
 - Round 1
 - Goal is to identify the college’s “core business”/most important institutional functions/key mission components (60-75 minutes)
 - Reconvene: groups report progress (30-45 minutes)
 - Entire group comes to consensus on core functions (60 minutes)
 - Lunch

Exercise I




1. Identify your dashboard development team (by position)
2. Discuss and identify the sources of you institution’s core business/most important functions
3. Select three elements of core business for which you will identify KPIs
4. Report results of your deliberations

How KPIs are Identified




- They are an outgrowth of strategic planning
 - Important and meaningful to stakeholders
 - Viewed as important to the organization
 - Linked to strategic plan and organizational priorities
 - Help determine the extent to which the organization is progressing toward its stated goals
- Team can begin with a large number of potential KPIs and then whittle down to the vital few—no more than 15-20

Context for KPIs: Benchmarks & Target Values

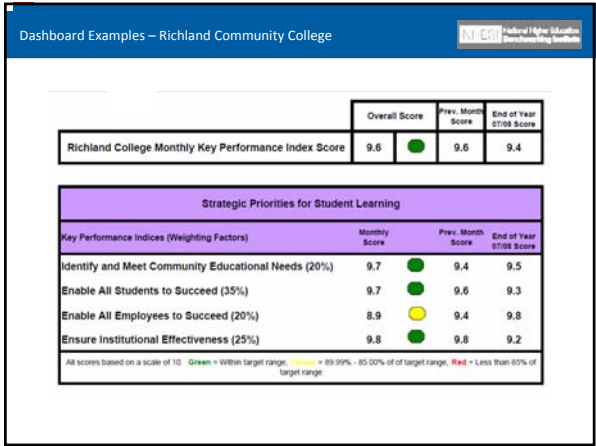


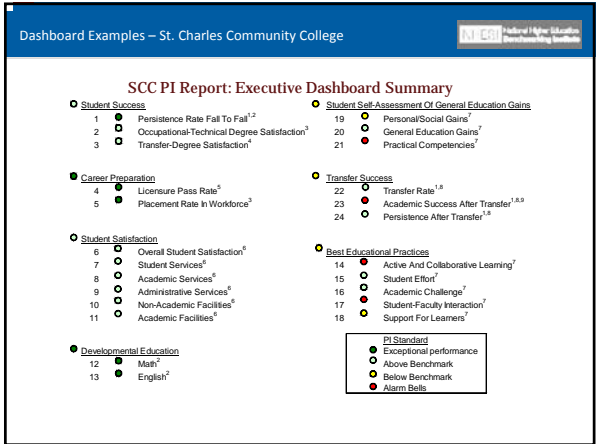
- Process also requires establishing benchmarks and target values
 - Benchmarks
 - What are reasonable values for measures
 - Upper and lower limits
 - What is “good” and “bad” for a given measure
 - Targets
 - How do we know where we want to be?
 - Based on both benchmarks and past performance
 - Must be reasonable and achievable
 - Can (should?) be “stretch objectives”
 - Possible Sources: NCCBP
 - Achieving the Dream Database
 - IPEDS Peer Analysis System

A Valuable Source for Community College Benchmarks: The NCCBP




- A national community college data collection/reporting consortium
- Collects and reports on over 120 benchmarks covering all areas of interest to community colleges:
 - Institutional characteristics
 - Student characteristics
 - Student learning outcomes
 - Community outreach
 - Faculty and staff data
- 210 colleges participated in 2009
- www.nccbp.org







- Dashboards – Strengths
- Relatively straightforward way to monitor current institutional performance
 - Provide metrics on KPIs that represent core institutional goals, issues, and operations
 - Easy to understand
 - Engaging presentation format to communicate important information
 - Can be used at all levels of the institution (institution as a whole, division, department)

Dashboards – Challenges 

- Design and implementation require a comprehensive understanding of complex data definitions, sources, appropriate analyses, and sources of appropriate benchmarks
 - Requires appropriate expertise (internal or external)
- Don't provide an in-depth understanding of underlying data that drive the KPIs
 - Limited in scope and somewhat simplistic
 - Lack of detail makes it difficult to understand the “whys” of institutional performance
- Provide no information regarding what should be done—no guidance for institutional action
- To be optimally effective need to be supported by formal underlying data structure with drill-down capabilities—a balanced scorecard

Exercise II 

1. Identify first-level KPIs for each of the elements of your institution's core business
2. If you have time, begin a discussion of second-level KPIs
3. Report results of your deliberations

Contact 

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