Visual Performance Management: Choosing Measures that Matter (Part 2)

When it comes to choosing metrics that matter, a good place to start is by thinking carefully about:

- What do we make? (our widget)
- How do we make it? (our process)
- Who do we make it for? (our customer/end user)
- Why do we make it? (our desired mission outcomes)

If you know the answers to these four questions, you will likely have an easier time figuring out the right things to track for visual performance and continuous improvement. Indeed, these four questions form the basis of a successful experience using AMS at all levels of your agency’s operations.

Having good metrics enables teams to have more productive huddles to see how they are performing and discover problems and abnormality in their standard work flow. When you can see problems, you can fix them – using disciplined AMS problem solving tools and techniques – or elevate them to up-line management for help.

And good visual management and observable problem solving in turn enable managers to engage productively in leader standard work, i.e., the methods of hands-on overcheck that leaders routinely perform to assess the health of agency operations, confirm processes are working as expected and coach teams toward improvement when they are not.

There are many metrics to choose from, but the ones currently prescribed in AMS fall under the headings People, Quality, Service and sometimes Cost. You will likely see some or all these displayed in the “metric” portion of team huddle boards. Below are some examples of the kinds of things that can be tracked within each metric category. This list is by no means exhaustive.

### PEOPLE
- Safety
- Skill Development
- Standard Work Development
- Attendance/Availability
- Regrettable Attrition

### SERVICE
- Lead Time/Elapsed Time
- Work in Progress (WIP)
- Productivity/Efficiency/Speed
- Delivery

### QUALITY
- Percent Complete & Accurate
- Rolled First Pass Yield
- Defects/Rework

### COST/CAPACITY
- Touch Time/Production Time
- Overtime

Teams should expect to have robust, ongoing discussion about their metrics. Adjustment is inherent to the Plan-Do-Check-Act cycle of continuous improvement, so don’t be surprised if you wind up changing your metrics before eventually stabilizing around a few good core process metrics.

Choosing good metrics and rigorously tracking them while holding ourselves and each other accountable for improved performance is not easy, but we’re getting better at it by intentionally and systematically deploying AMS throughout state government.