

1 of 1 DOCUMENT

# Graphic Arts MONTHLY

Graphic Arts Monthly

January 1, 2006

## **Measure the Process to Improve the Results; Things measured get managed-and metrics help hold people accountable.**

**BYLINE:** By Kevin Cooper.

Cooper joins Graphic Arts Monthly as Best Practices Editor. After 18 years with RR Donnelley, he managed manufacturing at Microsoft, and now teaches Graphic Communications at his alma mater, Calif. Poly. State U., San Luis Obispo.

**SECTION:** COLUMNS; BestTrack; Pg. 34

**LENGTH:** 688 words

Most print firms today use metrics in one form or another in the quest to quantify their practices, and to improve their business operations. These metrics may range from sophisticated executive dashboards with current data across a variety of key performance areas-charted and displayed for attention and action-to some very rudimentary, generalized measures of success that help guide management's thinking on ways to improve.

It's commonly accepted that things that are measured get managed, and that metrics help managers hold people accountable for their results. First and foremost, metrics need to be easy for everyone to understand. You are trying to improve something. So measurements have to be stated in terms to which people can relate. While metrics based on financial ratios and results are useful, employees do not relate particularly well to them, or to the sophisticated relationship of variables used to create them.

Your efforts at improvement should not confuse employees with measurements they don't understand or cannot control. In the case of financial ratios, they may measure the results of complex process interactions, but not the actual process steps themselves. The metric shows either a positive or negative comparison, but does not give employees the insight into what changes to make to improve results in the future.

How can we hold employees accountable for not meeting net income numbers, revenue per employee targets, inventory turn numbers or other common measures without providing them with an understanding of the factors that drive these results? We need to tell them what they can do to control or improve them in a meaningful way.

Focus instead on process measurements that are controllable by your employees. This will lead to improved results. Avoid metrics that optimize a specific department. This tends to pit operational areas against each other, and creates conflicts. A cross-functional process focus that fosters cooperation and improvement will lead to better results.

Metrics must also be in a time-frame that employees can relate to. Instead of quarterly or annual numbers, employees



Measure the Process to Improve the Results; Things measured get managed-and metrics help hold people accountable.  
Graphic Arts Monthly January 1, 2006

All Rights Reserved