



Future-Based Consultancy & Solutions

METRICS

Metric

(Webster's Encyclopedic Dictionary and more)

A nonnegative real-valued function having properties analogous to those of the distance between points on a real line, as the distance between 2 points being independent of the order of the points, the distance between 2 points being zero if, and only if, the 2 points coincide, and the distance between 2 points being less than or equal to the sum of the distances from each point to an arbitrary third point.

Generally speaking, metric is pertaining to measuring.

Going further, a domain that could be defined in terms of a given understandable metric ...

What do we do when no points are noticeable ?

A short simplified history

For a long time, metrics were “relegated” to some places engineers and technicians only lived in. Metrics were essential for them ...

They went after to finances and assembly lines for checking the individuals performances ... an indication for fine-tuning the recruitment or the beginning of something that is showing up.

But not exactly the way it should !

In front of the expanding global economy and the rapidly evolving virtual world !

Effective global business development require effective measurement in the **communication**, **integration** and **synchronization** (for verifying the reality of a dynamic evolving integration ... see “Future Inside” on page 5) to support the performance of the main managerial functions ...

- 1- analyzing and comparing
- 2- forecasting
- 3- planning all what is needed to support the *collegially defined future-based strategy*
- 4- organizing with **borderless metrics** and along the extended schedule
- 5- cross-departmentally coordinating, partnering
- 6- motivating, supporting, sponsoring, maintaining the emotional intelligence
- 7- animating, coaching, helping
- 8- controlling / tracking with complying indicators
- 9- adjusting, reacting, counter-acting, improving, mobilizing corrective efforts, ...
- 10- conducting the global change

Beyond the introductory definition to link strategy, budget and operations !

Metrics are able to move along the above mentioned demand for a solid support to managers ...

Metrics can contribute to the characterization of an activity, a behavior, a phenomenon, a product, a process, a natural event.

It may be about individuals, groups, associations, companies, markets, nations ...

Metrics are immediately observable or derived from a preceding set or associated in case of compatibility. Correlation could be of some help for going further.

Indicators add guidelines for the tracking along the work process and its progresses.

In fact, we have all what we need to check about the global performance management but only a limited number of companies do play with a cross departmental initiative in spite of the ERP implementation extension.

Does the size of the large ones matter ?

Most of the time, yes ! As it is much more difficult for them to set and maintain open and dynamic communication schemes.

Consequences are very damageable: low data circulation and suspicion about the accuracy because of the non-access to a friendly validation process.

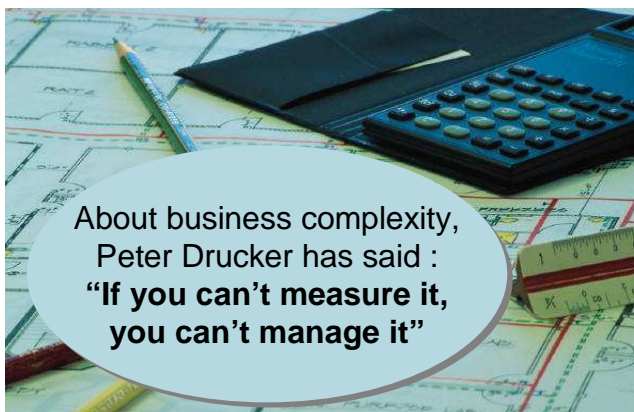
To make it more complicate again, participation for some kind of corrective actions won't show up ...

Back to the indicators

As already mentioned previously, indicators are providing supplementary insight on what is ongoing. It will facilitate useful assessments about the evolution, behaviors ... trends versus plans and schedules.

Charts could be practical for starting a list of metrics and supporting the discussion in between the managers.

Take the categories (human, educational, material, technical, quality, financial, marketing, sales, ...), consider the various management insight (skills, pro-activity, information level and expectation, life-cycle concern and productivity, change, ...), and the indicators that could be set for checking the progresses (date, cost, scraps, volume, gaps -time, cost, rejects, standards, ...- added value, ...)



At first, will it be easy to get agreements on the basic indicators.

However, going further will rapidly evidence the lack of maturity about many aspects : insufficient strategy definition, lack of consensus, unclear view on the resources (human : who is going to back the strategy up ?), immature technology knowledge that doesn't foresee how to “marry” the individuals and machines, limited support to large projects along the strategy, etc.

Sharing rationality

Let's consider a homogeneous waterfall effect to be set as from the matured department contributions and in association with all inside and outside participants; Including staff and partners.

Consequently, will we obtain collaboratively set metrics and they will be rational.

Rationality is the only “solid thing” people are ready to agree on. And it comes, as already said, from a simple triad for tying everything together: **communication, integration, synchronization** !

Daniel C. Renson

Associated concepts or tags :

Indication
Audit
Common semantic
Definition
Evaluation
Accounting, Finance, ...
Budget
Performances
Project management
Score cards
Value
Etc.

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