Measurement Ideas – Business Performance & Organizational Sustainability

Introduction

Measurement Ideas are organized according to 'what you want to know and show' about the work your program, organization or initiative undertakes and its impact (your 'Information Needs'). The measures you choose need to support operational and strategic decision-making and can be used in show accountability and engage your stakeholders in the work that you do (partners, community members, funders, staff, volunteers, to name a few). Measures in this guide are presented in the following areas:

Remember that these are only measurement ideas, and what you choose to measure should be based on your needs for learning, engagement and reporting. Don't forget to prioritize measurement based on the importance of the information to you and the challenge of collection.

If you have suggestions for Measurement Ideas, get in touch with us and we will add them!

Financial Performance

We are able to pay our bills	Current ratio (Current assets / Current liabilities)
We have diversified revenues	$ revenue by source
	# customers accounting for x% of sales
	% revenue by source
	% total revenue by top 3 customers
We have extra funds to manage future shortfalls	accumulated annual surplus (operating reserve)
We have sufficient financial return on the capital we invest	return on Investment (for specific capital investment)
	return on assets (net profit / total assets)
We manage our debt	debt/asset Ratio
We are increasing the number and value of donors and partners	anecdotes/ quotes of "grant funding highlights"
	# donors/partners
	$ donations
	$ / donor
We cover all of our costs with the sales revenue that we receive	% net margin (net profit ÷ Sales x 100; net profit = sales - total expenses)
We cover the cost of sales from the sales revenue	% gross margin (gross profit ÷ sales x 100)
We maximize profits by product/service	change in profit margin by product/service (or graph which breaks out time periods)
We maximize revenues and control costs to increase profits	$ revenue by product/service
	Break out of revenue/cost structure from Income Statement
We maximize revenues and control costs to increase profits	change in revenue by product/service (or graph which breaks out time periods)

You may also be interested in the following DV tools, resources and blogs on the DV website:
Financial Intelligence for Social Enterprises
Financial Ratio Analysis
Understanding Financial Success: Three Key Questions for Social Enterprises (blog)

Operations

We efficiently and consistently deliver our service	wastage (physical units of material or energy)
	% capacity utilization of equipment or other capital (actual/potential use)
	production costs per unit (all or key costs)
	average time (hours/minutes) to complete task
	% on time deliveries
We operate safely and minimize hazards	description of compliance with standards
	# safety incidences
We can meet order demand	order fill rate
Our operations are environmentally sustainable	# tonnes waste diverted (or cubic yards)
	# kWh (or GJ) energy saved
	# Litres of Food Waste Diverted
	# Tonnes CO2e Reduced
	# litres of water used/ time period
	% water used in particular process
	% recycled input materials used

You may also be interested in the following DV tools, resources and blogs on the DV website:
Social and Environmental Operations Assessment
Tracking your Business Performance

Sales and Marketing (Social Enterprises)

We are developing enduring relationships with customers	% customers with a relationship >x years (customer loyalty)
	% willingness to reorder / return
	# returning customers
We meet customer needs	list of comments provided by customers in survey
	% customers that report they are 'satisfied' or 'very satisfied'
	# times services have been redone or refunded
	list of needs met by product/service
	% customers who recommend services
We are attracting more customers	# new customers
	# total customers
	# customers by referral source/region/product or service
	% market (# customers/# potential customers)
	map of geographic spread of business
We have customers that are aligned with our mission	% customers who indicate that they value our mission
We are attracting more customers	$ revenues generated by new customers
We have effective marketing and sales	# sales/contracts finalized
	list of current/recent marketing initiatives
	# sales leads
	$ value of sales leads (potential revenue)
	sales conversion rate
	$ sales
	# sales leads by type of marketing campaign
	% advertising utilization rate
	# units purchased
We have increasing sales of products/services with greater profit margins	% sales growth by product/service

You may also be interested in the following DV tools, resources and blogs on the DV website:
Tracking your Business Performance, Guide to CRM Systems, Customer Satisfaction Survey

Human Capital

Our board and staff have strong connections with the local community	# Board Local Connectedness
We have considerable experience and expertise in this field	Listing of projects during last year (shown as a word cloud)
	# projects completed
	Examples of projects
	List of achievements/milestones
	List of Employees and current contractors
	# years experience
We attract volunteers	# volunteers
	# volunteer hours in a specific time period
We value of the time donated by our volunteers	$ value of volunteer hours
We have a growing, engaged membership base for our co-op	# members participating in specific activities (or expressed as share of total)
	% Members satisfied with co-op
	Anecdotes/ quotes from members that highlight their experiences
	% members coming from referrals
	Profile of cooperative member demographics (gender, age, residence)
	# total members
	# new members
	# returning members
We attract and keep the right people	turnover rate
	time-to-fill
	recruitment source
	reasons for leaving
	absenteeism rate
	overall satisfaction
	skills needed/available

	diversity (# / % of specific demographic)
We are successful in supporting people to accomplish their goals	satisfaction with development opportunities
	completion of performance plans and reviews
	training and mentorship opportunities
	(existence of, take-up and satisfaction with)
People are compensated well	employee's view of the benefits and compensation
	$ hourly wage compared to industry standard
	$ value of benefits compared to industry standard
	use of benefits

Other Organizational Sustainability

We have the systems and processes to adapt to new challenges and opportunities	list of key strategic initiatives undertaken/completed
	budget devoted to capacity building
	success of technology initiatives*
	% process documentation completed
We have a solid assets and are financially sustainable	accumulated annual surplus (operating reserve)
	# customers accounting for x% of sales
	$ or % revenue by source
	debt/asset ratio (if managing debt)
	current Ratio (current assets / current liabilities)
	revenues lost to inadequate assets
Key partners in the community appreciate and trust us	# complaints or withdrawals of support
	list of ways the community supports what you do
	feedback from partners
We enable our parent organization to be more financial sustainable (This applies to some social enterprises)	list of the use(s) of surplus generated
	$ value of revenues (and/or profit) generated
	for non-profit parent organization
We show leadership, and have considerable experience and expertise	combined years of staff experience
	board profile
	list of awards/achievements/milestones
	years in operation
	change in scale/scope offered (products, markets…)
	# and type of media exposure
Key stakeholders appreciate and trust the program	# complaints or withdrawals of __(stakeholder group)__
	% of __(stakeholder group)__ that are satisfied with the program
	% of __(stakeholder group)__ that recommend program
	% cumulative average satisfaction score of specific stakeholders

We meet the needs of __(particular stakeholder group)__	Description of connection points
	Relevant corporate-wide performance indicators

You may also be interested in the following DV tools, resources and blogs on the DV website:

Organizational Sustainability Assessment Tool

Social Enterprise Evaluation Question Set

Demonstrating Organizational Sustainability is More Important than You Think (Blog)