



METHODOLOGY FOR THE EVALUATION - KPIS

D.T2.4.2

(WP T2, ACTIVITY A.T2.4)

Final Version

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1. Introduction

The accomplishment of the ARTISTIC project will depend on different factors such as internal processes and responsibilities of each project partner (PP) that conduct to the achievement of the project goals. It is important to keep in mind that the main project goal is the valorization of intangible cultural heritage (ICH) assets for local sustainable development in Central European regions. For the evaluation of the ARTISTIC project, it will be important to take into account different “key performance indicators” (also known as KPIs). KPIs help to identify what is important to the project and provide the baseline by which we will measure the development of the ARTISTIC project in order to achieve its goals successfully. It is important that all involved parties agree upon the KPIs before initiating the pilot actions (WP T3), after the definition of the services/tools. Then, the KPIs should be measured and monitored as a tool for decision-making during the entire project.

1.1. What are KPIs?

According to Parmenter (2007: 1), “KPIs tell you what to do to increase performance dramatically”. Parmenter (Ibid.: 3) explain KPIs as a set of measures focusing on “aspects of organizational performance that are the most critical for the current and future success of the organization”. He (Ibid.: X) suggests having a limited number of KPIs to keep the focus of the project goals, to stay aligned and achieve the objectives. KPI can be qualitative and quantitative.

Seven Characteristics of KPIs:

Parmenter (2007: 5) defines seven KPI characteristics:

- “1. Nonfinancial measures (not expressed in dollars, yen, pounds, euros, etc.)
2. Measured frequently (e.g., daily or 24/7)
3. Acted on by the CEO and senior management team
4. Understanding of the measure and the corrective action required by all staff
5. Ties responsibility to the individual or team
6. Significant impact (e.g., affects most of the core critical success factors [CSFs] and more than one BSC perspective)
7. Positive impact (e.g., affects all other performance measures in a positive way)”

KPIs should be monitored as often as possible to monitor the working processes and correct on time probable errors. As claimed by Parmenter (2007: 6), KPIs are “‘current-‘ or future-oriented measures as opposed to past measures (e.g., number of key customer visits planned in next month or a list by key customer of the date of the next planned visit)”. Still, Parmenter (Ibid.)



writes that “all good KPIs make a difference; they have the CEO’s constant attention, with daily calls to the relevant staff”.

A KPI tells you “what action needs to take place” (Parmenter 2007: 6). Consequently, in this phase of the project (WP T2 & T3) the LP will supervise all partners within their tasks, orientating how they need to execute the training for the creation of ICH mediator profile (D.T2.3.5) and the pilot actions (WP T3). KPIs will be used at this stage of the project to monitor the effectiveness of the developed toolsets and to support the pilot actions. By doing so, time bounded tasks will be solved on time and planned performances will have a better quality. This will also avoid inaccuracies that hinder the effort of the goals that need to be achieved, remarks Parmenter (Ibid.). When the CEO, management, and staff focus on the KPI, the organization scores goals in all directions, writes Parmenter (Ibid.).

In the case of the ARTISTIC project, in order to keep quality improvement, it is necessary to keep the monitoring of the the performance of the toolset to implement the pilot actions, controlling the number of meetings, initiatives and deliverables that are about to come in the next week, two weeks, or month must be measured.

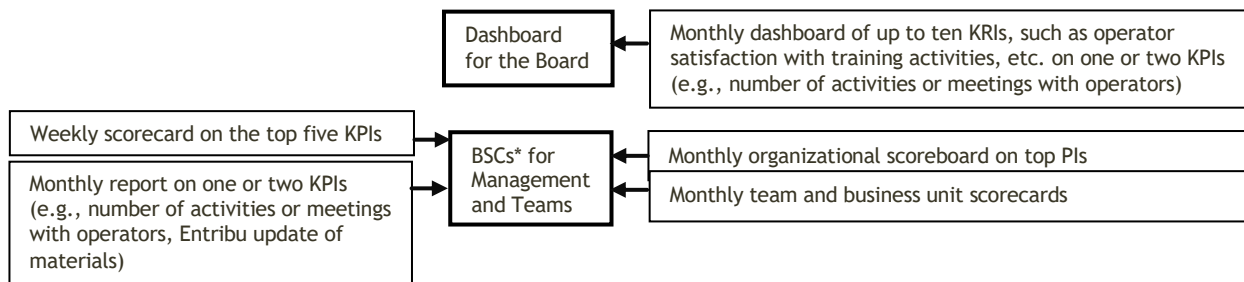
Figure 1 Past/Current/Future Performance Measures Analysis Worksheet

Past Measures	Current Measures	Future Measures	
<i>Last month (March 2019)</i>	<i>This month (April 2019)</i>	<i>Next month</i>	<i>Next quarter</i>
Development of the ARTISTIC toolset (O.T2.1)	Implementation of the ARTISTIC toolset		
1 train the trainers session	08 Local training activities D.T2.3.5	Number of meetings per PP to be commenced in order to help the operators to develop the business plans (delivery month of BP= December 2019)	1 Mid-term report on local pilot action (D.T3.3.9)
XX ICH Mediators trained	08 Reports about the results of the training activities		
8 ICH Desks established (D.T3.1.1)			
8 total open calls made by the PPs			
1 List of local selected ICH projects (D.T3.1.2)			
1 E-Learning Platform (“Entribu”) made available online			
Training and additional materials were made available online on Entribu			
Translation of the training material into the corresponding languages of the partner countries			
Etc...			

According to Parmenter (2007: 9), “it is essential that measurement be timely”.



Figure 2: Suggested Reporting Framework



*Balanced Scorecards

Concerning to measurement, Parmenter (2007: 10) suggests that it must be done in a consultative way, promoting partnership, obtaining behavioural alignment, and empowering everyone who works in the project.

1.2. Management models that have a profound impact on KPIs

Converting Reporting from Information Memorandums to Decision-Based Reports

In the opinion of Parmenter (2007: 12), many management reports are merely memorandums of information. According to him, “management reports should encourage timely action in the right direction”. Instead of writing only memorandums of information, Parmenter recommends that organizations should “measure and report on those activities on which the board, management, and staff need to focus”. The proverb “What gets measured gets done” is still true, so Parmenter (2007: 12). Like this, the management team and all involved parts can correct the mistakes on time and faster, avoiding new errors and unwanted results (Ibid.).

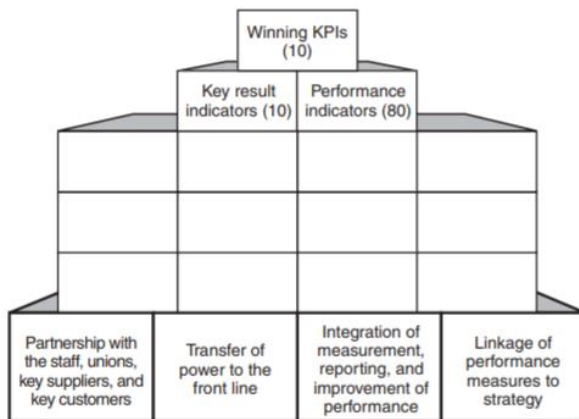
As claimed by Parmenter (Ibid.), KPI reporting needs to be “timely, brief, and informative”.

Foundation Stones for implementing Key Performance Indicators

In order to have a successful development, utilizing the key performance indicators (KPIs) in a project, we should also pay attention of the following four general principles suggested by Parmenter (2007: 19), called the “four foundation stones”:

- “1. Partnership with the staff, unions, key suppliers, and key customers
2. Transfer of power to the front line
3. Integration of measurement, reporting, and improvement of performance
4. Linkage of performance measures to strategy”

Figure 5: Four Foundation Stones for KPI Development



Source: Parmenter (2007: 20), “Four Foundation Stones for KPI Development

Partnership Foundation Stone

In the ARTISTIC project, it is important that the LP, the PPs and all involved partners, such as ICH operators and stakeholders work together tending to achieve the main project goals: Valorization of Intangible Cultural Heritage (ICH) assets in order to achieve and support local sustainable development in central European regions.

As stated by Parmenter (2007: 20-21), implications of the partnership foundation stone include:

- “● Recognition by all stakeholders that significant organizational and cultural change requires a mutual understanding and acceptance of the need for change and how it is to be implemented
- Commitment to the establishment and maintenance of effective consultative arrangements with unions, employee representatives, and employees
- Joint development of a strategy for the introduction of best practice and KPIs
- Extension of the notion of partnership to include and involve the organization’s key customers and key suppliers”



Transfer of Power for Implementing Key Performance Indicators

To achieve the goals of the ARTISTIC project it is also important to empower the operators, who are in the operational “front line” of the project. Parmenter (2007: 21) mentions following implications by transferring power to the frontline foundation stone:

- “● The operation of effective top-down and bottom-up communication, including significant access to strategic organizational information
- The empowerment of employees to take immediate action to rectify situations that are negatively impacting KPIs (e.g., able to authorize doubling up of cleaning staff in order to speed up turnaround time for an anticipated late plane)
- Devolving responsibility to the teams to develop and select their own performance measures
- Provision of training on: empowerment, KPIs, the organization’s critical success factors, and process improvement methods
- Additional support for those employees with literacy, numeracy, or other learning-related difficulties”

Integration of Measurement, Reporting, and Improvement of Performance Foundation Stone

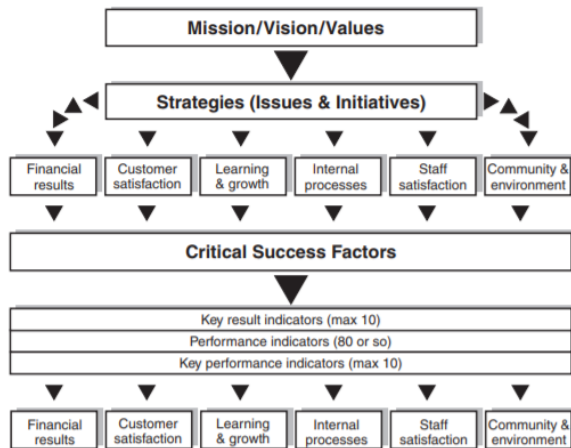
It is important to measure and report performance in a way that this results in action (Parmenter 2007: 21). Therefore, the ARTISTIC PPs should report on a weekly/monthly basis. Furthermore, the reports should, according to Parmenter (Ibid.), cover the so-called “critical success factors” (also known as CSFs).

Linking Performance Measures to Strategy Foundation Stone

As claimed by Parmenter (2007: 22), “performance measures are meaningless unless they are linked to the organization’s current CSFs, the balanced scorecard (BSC) perspectives, and the organization’s strategic objectives”. Therefore, it is of great importance that an organization “spends time defining and conveying its vision, mission, and values” (Ibid.). Throughout the ARTISTIC project, all involved parts need to intuitively work with them routinely.



Figure 6: Journey from a Mission and Vision to performance Measures that work



Source: Parmenter (2007: 23), “Journey from a Mission and Vision to performance Measures that work”

2. The twelve step approach or model

Parmenter (2007: 37) suggests the following twelve step implementation time line in order to run and do the monitoring of the project accurately since its beginning.

Exhibit 7: 12-Step Implementation Time Line

	Project week	Pre	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Post	
1	SMT commitment																			
2	Establishing a "winning KPI" project team																			
3	Establishing a "just do it" culture and process																			
4	Setting up a holistic KPI development strategy																			
5	Marketing KPI system to all employees																			
6	Identifying organization-wide critical success factors																			
7	Recording of performance measures in a database																			
8	Selecting team-level performance measures																			
9	Selecting organizational winning KPIs																			
10	Developing the reporting frameworks at all levels																			
11	Facilitating the use of winning KPIs																			
12	Refining KPIs to maintain their relevance																			

Source: Parmenter (2007: 38), “12-Step Implementation Time Line”



2.1. Selecting the key performance indicators that are important for the ARTISTIC project

As aforementioned, a measure or KPI is an objective that we will track in order to see if the training activities and pilot actions are working. For the ARTISTIC project, it would be helpful to take into account different key performance indicators, for example, using the so-called “S.M.A.R.T” technique (an acronym for *Specific, Measureable, Attainable, Relevant, and Time-Bound*).

Using this method, the results would look as follows:

Specific:

Valorization of intangible cultural heritage (ICH) assets for local sustainable development in Central European regions

Strategy:

- Training ICH Mediators, ICH bearers, ICH operators, and different stakeholders
- Engaging the ICH bearers, ICH interested people, ICH supporters, Organisations, institutions such as museums, universities, schools, theatres, local ICH groups in the valorization and safeguarding process of ICH.
- Discussing with the different involved actors possible ICH valorization strategies and possibilities to valorize ICH assets in order to promote local sustainable development in the respective region.
- Training the ICH actors/operators in the different chosen tools such as ICH Valorization and Safeguarding strategies, Business plan generation, Financing Methods, IPR and Communication Skills.

Measurable:

Here are some examples:

- How many training activities will be offered to train the ICH Mediators?
- How many local training activities will be offered to train the ICH operators?
- Number of chosen ICH Mediators
- Number of trained ICH Mediators
- Number of pilot actions
- Number of open calls to select ICH ideas
- Number of selected Ideas per project partner
- Number of trained ICH operators / ICH actors
- Training material was translated into the language of each region
- Training materials and additional information were made available on the e-learning platform “Entribu”
- Number of Meetings to assist the development of the Business Plans
- Planed number of trained ICH operators was achieved
- Number of Business Plans developed



- Crowdfunding campaign: number of projects per region uploaded at the transnational crowdfunding platform
- Number of ICH supporters achieved

Attainable

Within the ARTISTIC project, it will be important to accomplish the fulfilment of the different tasks to achieve the primary goal of the project.

The project partners will need to use their knowledge and skills to attain the project goals, since the preparation and implementation of the toolset, training of the ICH Mediator and ICH operators, until the joint pilot action to test crowdfunding as financial instrument for ICH projects and the joint pilot action on local ICH projects development. According to the services provided, applying the ARTISTIC toolset, in order to develop the Business Plans and assure the marketing orientation of the „ICH projects“, some of the performance indicators selected are:

- Number of realized training activities
- Number of trained ICH operators
- Number of business plans developed
- Number of ICH projects to be presented at the crowdfunding platform

The achievement of the goals of the WP T2 and WP T3 could be a challenge for some partners. Therefore, every PP will need to be resourceful, respecting all deadlines and guidelines set by the LP to fulfil the targeted goals of WPs T2 & T3.

Relevant

During this step, we will ensure that a goal matters to the ARTISTIC project, and that it aligns with other relevant goals of the project. Therefore, it will be important to retain control over all goals. A goal that supports or is in alignment with other goals needs to be considered a relevant goal. Within the ARTISTIC project, for instance, all deliverables are interconnected and drive to the next project step. Consequently, all project partners need to be aligned in order to support and assist the unproblematic achievement of the goals of the training for the creation of ICH mediator profile (O.T2.3), the pilot actions to test crowdfunding as financial instrument for ICH projects (O.T3.3) and the joint pilot actions on local ICH projects development (O.T3.4).

Time-Bound:

Within any project, every goal needs a target date. Like this, within the ARTISTIC project we have deadlines to focus on and constantly something to work on within the training for the development of ICH mediator profile (O.T2.3) and the pilot actions (O.T3.3 & O.T3.4).

A time-bound goal usually answers following questions:

- When?



- What can I do six months from now?
- What can I do six weeks from now?
- What can I do today?

Throughout all project phases, it is important to control the attainment of the goals according to their deadlines. This will help to avoid delays that would harm the project development and have a negative impact on its goals. As suggested by Catherine Yochum (n.d.), some methods to measure time-bound processes are the following:

- *On-time completion percentage*: Task is completed by a given deadline.
- *Time spent*: The amount of time that is spent on the project by all project partners.
- *Number of adjustments to the schedule*: How many times it was necessary to adjust the completion date of the project as a whole.
- *Resource Capacity*: The number of individuals working on the project multiplied by the percent of time they have available to work on it. This helps to properly allocate resources (and determine any hiring needs) and set an accurate project completion timeline. (Yochum n.d.)

2.2. Evaluation questionnaire for the local training activities

The evaluation questionnaire developed by UHAM that will be completed by all PPs after the local training activities will make it possible to evaluate the fulfilment rate of the local training activities for the ICH operators and additional information. The trained ICH operators represent a key element for the success of the ARTISTIC project and its aims to valorize and safeguard ICH assets to promote local sustainable development in central European countries. The questionnaires will help to measure the so-called “Quality KPIs” that will be presented in the following point.

Quality KPIs

As quality KPIs within the ARTISTIC project, we could mention:

- *ICH operator satisfaction after the pilot action (Mid-Term report)*: Did the operators learn all necessary tools that are important to develop ICH valorization initiatives that promote local sustainable development? Are they satisfied with the services offered by the PPs and local ICH Desks?
- *ICH operator satisfaction after the assistance (final report)*: Did the operators get to develop with the support of the PPs and the local ICH Desk a business plan in order to present it to funding institutions or at the transnational crowdfunding platform?
- *Number of errors*: How often something did not work well and needed to be planned again, managed again or redone in order to achieve the goals of the ARTISTIC project? This is the number of times you have to redo and rework something, which affects budget revisions and calendar revisions as well.



- *PPs or operators complaints:* We need to keep in mind that the “customer” of a project could be someone internal – does someone from the project complain because someone else is not getting things done?¹

Effectiveness KPIs

KPIs that measure effectiveness could be following:

- *Number of project milestones completed on time with sign off:* are the deliverables being completed in a timely manner? Additionally, were the milestones completed and approved by the LP and the JS?
- *Training needed:* number of courses, number of trained mediators and operators.
- *Number of pilot actions*
- *Number of cancelled deliverables, meetings, and/or courses:* Tracking how many deliverables, meetings with operators and stakeholders and courses have been paused or eliminated.
- *Number of change requests:* The number and frequency of changes requested by a PP, and ICH Desk, ICH mediator or ICH operator to an established scope of work.
- A questionnaire should be developed to monitor/evaluate the pilot action (both local and transnational).

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¹ Ibid.



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