# Identifying Key Performance Indicators: The Foundation of an Institutional Dashboard

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## What is a Dashboard in Higher Education?

- A brief document that graphically displays critical institutional information in a succinct, easily understood, visually appealing format
- A tool to communicate the current health of the organization and its progress toward its strategic objectives

## Purposes of Dashboards

- To communicate current information about major indices of organizational performance to primary stakeholders
- To provide information to assist in evaluation of organizational performance
- To provide a comprehensive analysis of how the organization's achievement of its strategic objectives leads to effectively carrying out its mission and vision
- To provide information about organizational performance compared to appropriate benchmarks

## Why Do We Need Dashboards in Higher Ed.?

- Institutional leadership has a responsibility to be accountable to both internal and external stakeholders
- Stakeholders want/need accurate, concise, easy-to-understand, up-to-date data & information about organizational performance
- Traditional communication sources in higher ed. (e.g., annual reports) are usually obsolete by the time they reach stakeholders and typically fail to provide necessary/sufficient detail about organizational performance

## Components of Dashboards

- A limited set of measures—usually referred to as **"Key Performance Indicators" (or KPIs)**

- An integrated data structure for that set of measures
- A source of comparative benchmarks for the measures
- Graphics for displaying the measures

## Characteristics of an Effective Dashboard

- Operationally focused—tied to the institution's mission and strategic plan
- Timely
- Accurate
- Easy to understand
- Represents the current state of the organization
- Provides a straightforward summary of organizational performance

## KPIs — What Are They?

**Data elements that:**

- Measure core inputs, outputs, and outcomes
- Reflect the institution's strategic plan and core business
- Measure high priority operations of the institution
- Measure institutional characteristics that are important and meaningful to stakeholders
- Measure institutional performance in areas in which it must be successful to survive and be competitive

## Examples of KPIs

- **Enrollment**
  - Fall headcount enrollment
  - Percent of area high school grads enrolling subsequent fall
- **Student progress**
  - Fall-to-fall persistence
  - Term-to-term persistence
- **Student success**
  - Graduation rate
  - Transfer rate
  - Workforce placement rate

## Sources of KPIs

- Institution mission statement and strategic plan
- For community colleges— "Core Indicators of Effectiveness for Community Colleges" (Alfred, Shults, & Seybert), published by AACC
  - Identifies and describes 16 core indicators in six major categories:
    - Student progress
    - General education
    - Outreach
    - Workforce development
    - Contribution to the public good
    - Transfer preparation

## Identification of KPIs—Who's involved

- Effort usually led by a Dashboard Development Team
  - Representative of senior leadership
  - Representative of IR
  - Representatives of key constituencies
    - Faculty
    - Student affairs
    - Others
- Team solicits input from affected work groups and administrators
- Senior leadership (President's cabinet?) makes final determination of which measures reflect key functions and are included in the dashboard

## NCTC KPI Workshop Participants

- **President & Members of President's Cabinet**
  - Vice President of Instruction
  - Vice President of Student Services
  - Vice President of Institutional Advancement
  - Dean – Bowie Campus
  - Senior Director of Campus Operations
- **Instructional Leadership Team**
  - Dean of Health Sciences
  - Dean of Arts & Sciences
  - Dean of Advanced & Applied Technology
  - Dean of Lifelong Learning
  - Department Chair – College Preparatory Studies

## NCTC KPI Workshop Participants

- **Other Administrators**
  - Dean – Corinth Campus
  - Associate Dean of Student Services (Corinth Campus)
  - Director of Admissions/Registrar
  - Chief Information Officer
  - Director of Institutional Research & Effectiveness
  - Director of Academic & Student Support Services
  - Coordinator – Student Success Center

## The KPI Day-long Kickoff Workshop

- Selecting a facilitator
  - Critical decision
    - Internal or external
    - Experience & expertise
- Team solicits input
- Pre-workshop "homework"
  - Mission/vision/values statements
  - Strategic plan
  - AACC "Core Indicators of Effectiveness for Community Colleges"

## NCTC KPI Workshop

- The "Work"
  - Introductory presentation by facilitator (45-60 minutes)
  - Divide into small groups
  - Round 1
    - Goal is to identify the college's "core business"/most important institutional functions/key mission components (60-75 minutes)
    - Reconvene: groups report progress (30-45 minutes)
    - Entire group comes to consensus on core functions (60 minutes)
  - Lunch
  - Round 2
    - Teams begin discussion of first-level KPIs (60-75 minutes)
    - Reconvene: groups report progress (30-45 minutes)
    - Entire group comes to consensus on first-level KPIs (60 minutes)

## How KPIs are Identified

- They are an outgrowth of strategic planning
  - Important and meaningful to stakeholders
  - Viewed as important to the organization
  - Linked to strategic plan and organizational priorities
  - Help determine the extent to which the organization is progressing toward its stated goals
- Team can begin with a large number of potential KPIs and then whittle down to the vital few—no more than 6-8

## Context for KPIs: Benchmarks & Target Values

- Process also requires establishing benchmarks and target values
  - Benchmarks
    - What are reasonable values for measures
      - Upper and lower limits
      - What is "good" and "bad" for a given measure
  - Targets
    - How do we know where we want to be?
    - Based on both benchmarks and past performance
    - Must be reasonable and achievable
      - Can (should?) be "stretch objectives"
  - Possible Sources: NCCBP
    Achieving the Dream Database
    IPEDS Peer Analysis System

## A Valuable Source for Community College Benchmarks: The NCCBP

- A national community college data collection/reporting consortium
- Collects and reports on over 120 benchmarks covering all areas of interest to community colleges:
  - Institutional characteristics
  - Student characteristics
  - Student learning outcomes
  - Community outreach
  - Faculty and staff data
- 250 colleges participated in 2015
- www.nccbp.org

## A KPI in Detail

**Performance Indicator (PI 22): Transfer Rate**

Definition: The percent of Fall, transfer-intent, first-time SCC enrolled students who also enter a degree program at a four-year institution within three years (9 terms).

How the PI is measured: To be eligible for the cohort, students had to have the following characteristics:

1. Were enrolled at SCC for the first time in a Fall cohort term.
2. Were 18-22 years old.
3. Were enrolled full time in a Fall cohort term (i.e., taking 12 or more hours).
4. Cumulated at least 12 SCC credit hours three years after their first Fall cohort term at SCC.
5. Specified a transfer intent on their SCC application.

Source:

- National Student Loan Clearing House data
- STACS

PI Standard:

- Exceeding Expectation: > 60%
- Meeting Expectation: 50% - 60%
- Needs Improvement: 40% to 49.9%
- Alarm Bells: <40%

## Sample NCCBP Benchmark

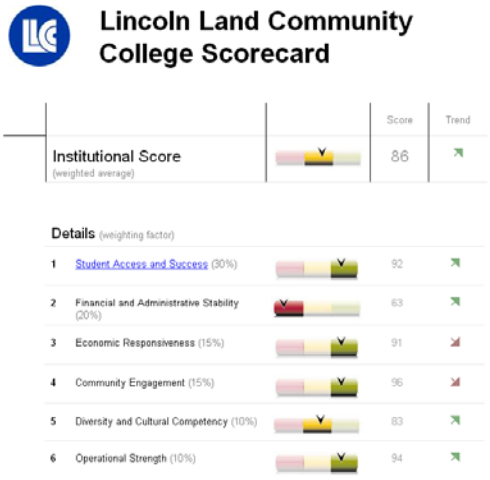
**Percentile ranks are the percents of benchmark values that fall below the institution's values.**

Johnson County Community College

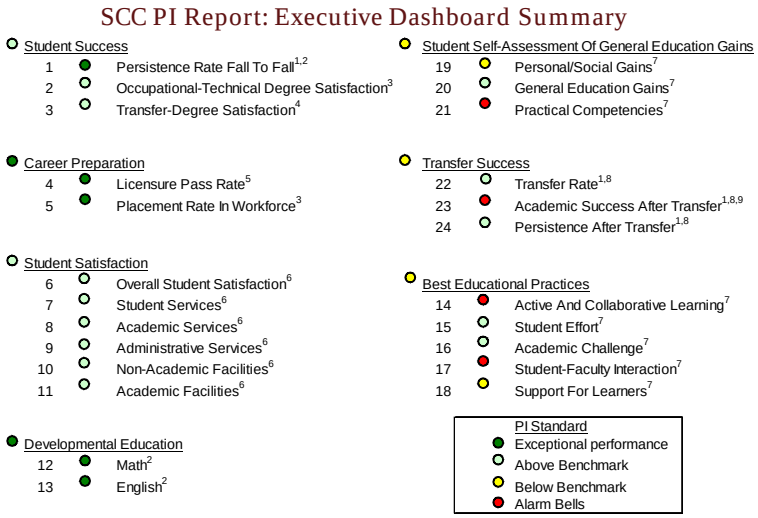
| | Institution | | | NCCBP Percentiles | | | | |
|---|---|---|---|---|---|---|---|---|
| | Reported Value | % Rank | N | 10th | 25th | Mdn | 75th | 90th |
| **FORM 2: Proportions of Students That** | | | | | | | | |
| *% Completed in Three Years (Col 3)* | | | | | | | | |
| Full-time, First-time in Fall, 2005 | 19.12% | 55% | 210 | 8.34% | 12.28% | 18.18% | 25.65% | 34.50% |
| Part-time, First-time in Fall, 2005 | 20.75% | 91% | 172 | 2.18% | 3.25% | 6.57% | 11.49% | 20.41% |
| *% Transferred in Three Years (Col 5)* | | | | | | | | |
| Full-time, First-time in Fall, 2005 | 29.43% | 89% | 192 | 8.60% | 13.15% | 18.12% | 22.43% | 29.90% |
| Part-time, First-time in Fall, 2005 | 13.97% | 77% | 139 | 2.96% | 4.90% | 9.17% | 13.64% | 23.33% |
| *% Compl. or Transf. in Three Years (Col 6)* | | | | | | | | |
| Full-time, First-time in Fall, 2005 | 48.55% | 84% | 192 | 22.99% | 27.85% | 37.73% | 44.42% | 53.03% |
| Part-time, First-time in Fall, 2005 | 34.72% | 89% | 139 | 7.83% | 11.11% | 16.03% | 25.00% | 37.03% |
| **FORM 3: Student Performance at Transfer Institutions (Most Recent AY)** | | | | | | | | |
| Cumulative First-year GPA (Col 2) | -- | -- | 67 | 2.62 | 2.79 | 2.89 | 2.98 | 3.07 |
| Average First-year Credit Hours (Col 4) | -- | -- | 55 | 15.36 | 18.09 | 20.66 | 23.50 | 25.32 |
| Percent Enrolled Next Year (Col 5) | -- | -- | 55 | 63.90% | 71.50% | 76.77% | 82.61% | 86.91% |
| **FORM 4: Fall 2007 Credit Students Who Enrolled Next Term and Next Fall** | | | | | | | | |
| Next-term Persistence Rate (Col 4) | 63.45% | 24% | 206 | 57.93% | 63.47% | 68.61% | 71.70% | 74.62% |

NCCBP National Community College Benchmark Project

## Dashboard Examples – Lincoln Land Community College



## Dashboard Examples – St. Charles Community College




## Dashboards – Strengths

- Relatively straightforward way to monitor current institutional performance
- Provide metrics on KPIs that represent core institutional goals, issues, and operations
- Easy to understand
- Engaging presentation format to communicate important information
- Can be used at all levels of the institution (institution as a whole, division, department)

## Dashboards – Challenges

- Design and implementation require a comprehensive understanding of complex data definitions, sources, appropriate analyses, and sources of appropriate benchmarks
  - Requires appropriate expertise (internal or external)
- Don't provide an in-depth understanding of underlying data that drive the KPIs
  --Limited in scope and somewhat simplistic
  --Lack of detail makes it difficult to understand the "whys" of institutional performance
- Provide no information regarding what should be done—no guidance for institutional action
- To be optimally effective need to be supported by formal underlying data structure with drill-down capabilities—a balanced scorecard

## Exercise I

1. Identify three elements of your institution's mission/"core business."
2. Identify first-level KPIs for each of the elements of your institution's core business.
3. Report results of your deliberations.

## Contact

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