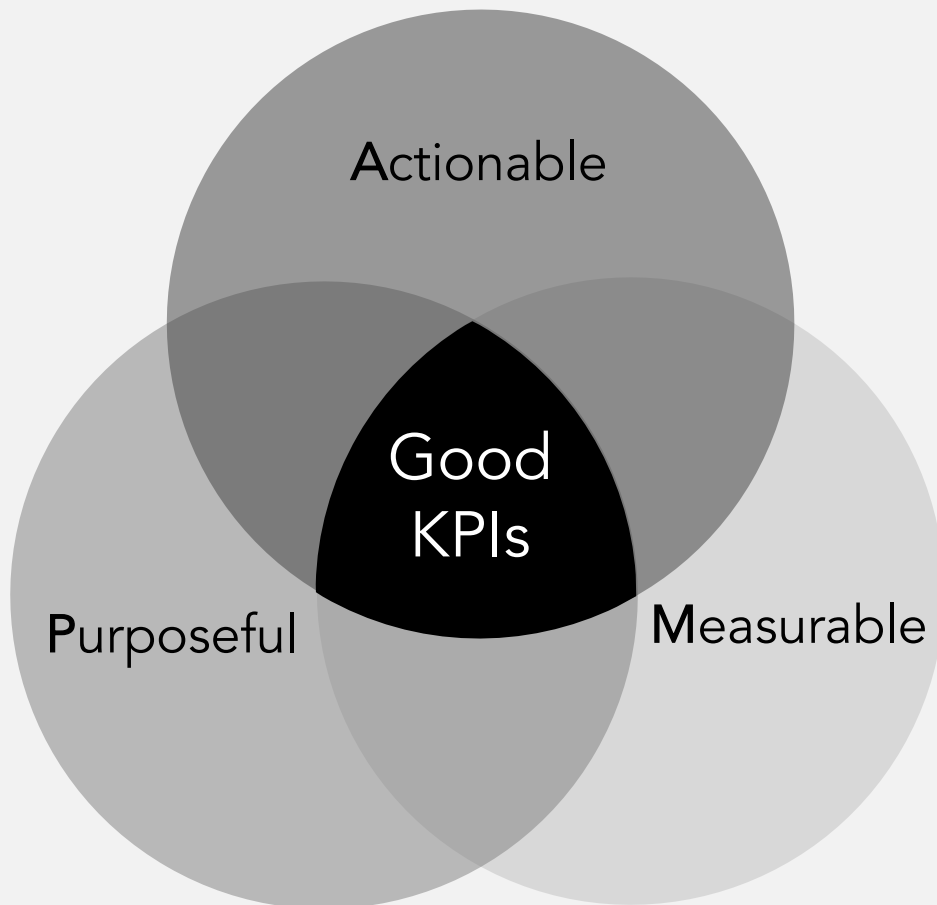


The AMP Model of Good KPIs



The **AMP Model of Good KPIs** is a model proposing that a good Key Performance Indicator (KPI) is one that is Actionable, Measurable and Purposeful.

The AMP Model features in Goal Atlas Director, Mike Baxter's book '[The Strategy Manual: A step-by-step guide to the transformational change of anything](#)' and is also covered in our [Strategy Workshops](#).

The AMP Model of Good KPIs

How to use it:

The AMP Model of Good KPIs can be used as a quality check for the Key Performance Indicators (KPIs) you are using for strategy measurement.

Explanation:

According to the AMP Model, a good KPI is Actionable, Measurable and Purposeful:

Actionable

"prompts decisions, not additional questions" "simple"
"owned" "achievable"
"understandable"

An actionable performance indicator is:
1. visible to the goal owner
2. changed by their actions

Actionable KPIs. To say that a KPI should be actionable begs the question, actionable by whom? Good practice suggests any goal with a target ought to have a goal owner, otherwise who is held accountable for hitting this target? For KPIs to be actionable, they need to be owned, they need to be visible to their owner and the owner must be able to influence their outcome. Goal owners must not simply be passive observers of the KPI moving towards or away from its target. They must be enabled to see a performance indicator drifting away from its target and take, what they hope will turn out to be, corrective action.

Measurable

"available" "visible"
"repeatable" "timely"

precise accurate
fit-for-purpose timely

Measurable KPIs. For a KPI to be measurable, it must be a single, repeatable measure of sufficient accuracy and timeliness to serve its purpose. It needs to be:

1. *Precise and accurate.* 'Accuracy' is how close your measurement is to the real world. 'Precision' is how repeatable your measurement is.
2. *Timely.* It should present the measurement promptly after it was taken. Lag between measurement and reporting can impair the ability to respond or to adjust input parameters to improve performance.
3. *Fit-for-purpose.* For a strategic KPI, it must measure something of strategic significance, and the measurement must be actionable.

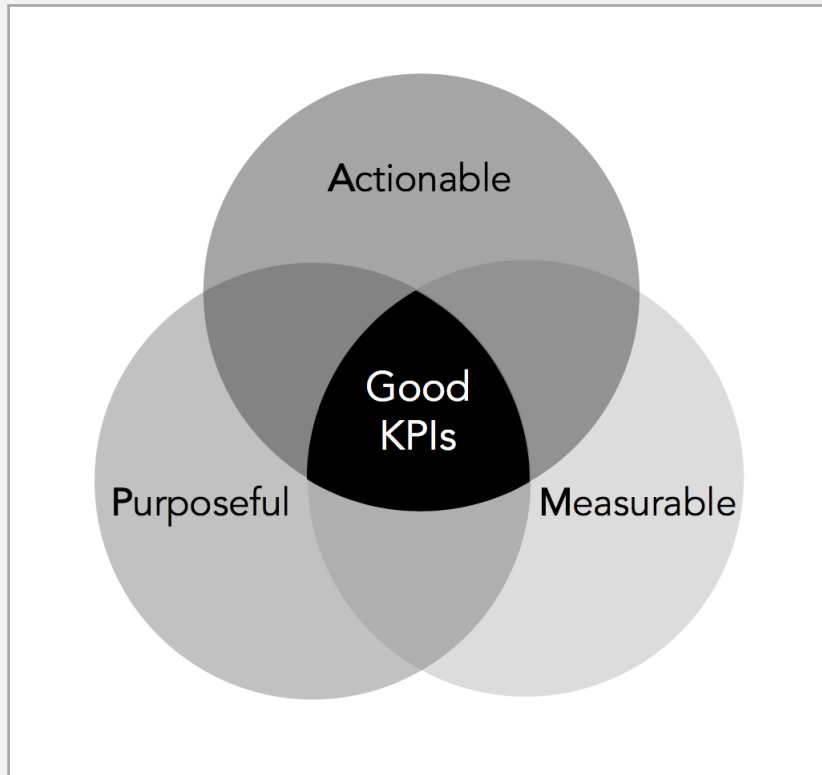
Purposeful

"aligned" "relevant"
"highly impacting" "strategic"

'Line-of-sight' from your own performance indicator to strategic success

Purposeful KPIs. When you say a KPI needs to be purposeful, this means that its achievement needs to contribute to strategic success. It doesn't need to be a major contributor to strategic success. It could be a measure of a front-line action many line-managerial steps away from senior leadership. Yet it could be a critical cog in a much larger machine. The owner of this KPI needs to see the strategic importance of their actions. For this to happen requires a line-of-sight connection between their performance indicator and strategic success.

The AMP Model of Good KPIs: Downloadable Image Asset



[DOWNLOAD](#)