

**Key Performance
Indicators "KPIs"
Measure it- Manage it**

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KPI's as Tools

Key Performance Indicators are tools used to evaluate performance against a standard or over a time period

Performance measurement is conducted in units- such as meals, hours, or money

Standards include industry standards- such as meals per labor hour

Benchmarking is used to determine an acceptable standard and compare results/data

Time periods used for comparisons or benchmarking could be month to month, or year to year

Other comparisons include site to site

The Value of KPI's: How are we doing?

- Provide insight into organization performance
- Use to establish standards for organization performance
- Useful to identify opportunities for improvement
- Quantify progress or improvement made towards goals

KPIs Measure:

- Meal Counts and Participation
Average Daily Participation
- Financial and Inventory Management
Revenue Per Meal Equivalent
- Productivity and Labor
Meals Per Labor Hour

KPI Categories

Meal Count and Participation

- Meal Equivalents (MEQ)
- Average Daily Participation (ADP)

Financial and Inventory Management

- Revenues
- Expenditures
- Revenue per Meal Equivalent (MEQ)
- Cost per Meal Equivalent (MEQ)
- Cost as a Percentage of Revenue
- Break-Even Point (BEP)
- Inventory Turnover Rate

Productivity and Labor

- Meals per Labor Hour (MPLH)
- Staff Turnover Rate
- Absenteeism Rate

Calculating KPIs

- Assess efficacy and efficiency of programs
- Forecast food purchasing and labor requirements
- Identify discrepancies or errors in accounting
- Determine financial feasibility of new initiatives

The Value of KPIs

- Benchmarking
- Trend Analysis
- Developing Action Plans
- Communicating with Key Stakeholders

Benchmarking

“Comparing one’s performance with a similar operation's or unit’s performance to assist users in identifying best practices, and to identify areas to focus improvement efforts on.”

- Two types for school nutrition programs:
 - Internal
 - Industry

Trend Analysis

- Allows school nutrition programs to compare data over periods of time
- Provides a foundation for forecast
- Can help to identify and interpret changes in results

Develop Action Plans

Analysis and interpretation of KPI data enables school nutrition directors to:

- Prioritize issues
- Develop SMART goals for improvement
- Allocate resources
- Measure progress

Communicating with Stakeholders

- Used when supporting management decisions:
 - Staffing
 - Menu items
 - Employee evaluation component
- Used when proposing solutions
 - Alternative breakfast implementation
 - Decreasing absenteeism

Presentations

- Graphically, Visually, Pictorially
- Internally:
Staff meetings, onboarding, evaluation tool, training
- Externally:
School board, principals, parent groups, community

Question:

What KPI would you use to evaluate productivity?

- Meal Equivalents
- Average Daily Participation
- Meals per Labor Hour
- Inventory Turnover

Answer:

- Meals per Labor Hour!

Meals per labor hour measures staff productivity by assessing the number of meal equivalents per hour of staff worked.