CHOOSING INDICATORS

DESCRIPTION

The third step guides you through choosing your performance indicators for tracking the progress of your program or project.

PERFORMANCE INDICATORS

- Can be used to track outputs and outcomes of your activities, and assess what changes have occurred

- Can take the form of numbers, facts or perceptions that help measure progress towards change

- Output indicators measure the direct result of an activity and indicate frequency or intensity

- Outcome indicators measure the effectiveness or impact of your performance measurement strategy

QUANTITATIVE & QUALITATIVE INDICATORS

Use both quantitative and qualitative indicators as they are equally important in describing your performance. There should be "no number without stories, no stories without numbers." *

Quantitative indicators: numerical values such as percent change, dollar amount or other value from a specific source

Examples: % satisfaction; % completed or attended; number of new developments or business licences; number or frequency of contact

Qualitative indicators: more subjective in nature, but still provide 'evidence' that your program or project is on track

Examples: anecdotes and first-person accounts from local businesses; testimonies or endorsement; comments on survey or summarized content of interviews; focus groups or conversations; success stories or case studies

DATA SOURCES

Primary data sources: locally derived data

Examples: number of visits to website or number of times local businesses have been contacted

Secondary data sources: data sets produced by external agencies

Examples: real estate sales numbers for the area, unemployment rate or population change

*Source: Root Cause. Wolk A. et al. (2009), Building a Performance Measurement System, p. 22)

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COMMON INDICATORS IN CANADIAN ECONOMIC DEVELOPMENT

Indicator	Percent
New Business opened	73%
Population	67%
Jobs created full time	61%
Workforce	61%
Inquiries received	60%
New Business investment attracted	59%
Building permits - Commercial	53%
Building permits - Institutional	51%
Business closures	49%
Unemployment rate	48%

Source: EDAC (2011), Performance Measurement in Economic Development, p.11

PROCESS

1. Return to your **Excel Workbook**, and open the tab: **Indicators – Long List.**

2. Create a Long List of your indicators:

   - First, note the data you are already tracking, or have been asked to track. This will be autofilled from the **About You - Inventory** tab, but feel free to modify as needed.

   - Next, consider the outputs and outcomes in your logic model and brainstorm indicators for each that would provide support or evidence of improvement. If you did not create a logic model, consider the vision and desired outcomes of your program or project.

   - Finally, have a look through the **Indicator Library** to see if there are other relevant data sources to consider as indicators for your program or project.

3. Open the tab: **Indicators – Short List.** The column of indicators will be autofilled from your Long List.

4. Prioritize your indicators:

   - First, identify the data sources for each indicator listed. The sources can be quantitative or qualitative, as well as primary or secondary.

   - Next, score each indicator by considering the following questions. The score for each question will automatically be calculated:

     (A) Importance of the indicator for accountability and decision making, or how necessary it is for you to report on or use this specific indicator for your decision making.

     (B) Accessibility or ease of collecting data about the indicator.

     (C) How much control you have over the indicator, or the degree to which you can attribute this indicator to your activities.

   - Then, consider the total score of each indicator. A higher scoring indicator should be more of a priority to include in your implementation plan. However, look at the list as a whole and let your experience direct your final decision on what indicators to measure.

   - Finally, choose whether you intend to include the indicator in your implementation plan by choosing "yes" or "no" in the last column.

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CHOOSING INDICATORS

TIPS

- Open the tab: **Indicator Library** in the **Excel Workbook** to view a list of indicators including B.C.-specific resources. You can also download a standalone **Excel Indicator Library.**

- Creating a Long List of indicators often requires a re-evaluation of the logic model. Modify and clarify your logic model as you go through your indicators as it may help to develop a clearer picture of how this data will help indicate success of your program or project.

- It is helpful to print a copy of your logic model and write directly beside each element how it could possibly be measured. This can also be done within a group discussion using sticky notes.

- If time and resources allow, consider creating your Short List of indicators in a collaborative group brainstorming session.

- You may choose to track economic or community data that doesn't fit into your logic model or isn't attributable to your economic development activities. Ensure that it is understood that these indicators are used for "communication" purposes to fully tell the story about your community. These may include low-scoring indicators in your Short List. If you plan to track them, set them as "Yes - Communication" to include in your implementation plan where a separate area is provided for them.

- Remember the principle behind the attribution issue from the **Visualizing Your Path** step and emphasize indicators that are most closely related to and controlled by your work. You have a higher degree of control and a greater ability to link activities to outputs and short-term outcomes than to midterm or ultimate outcomes.

NEXT STEP

Now that you have chosen your high priority indicators, it's time to move to the next step: **Implementation Plan**.

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