On Data

HOW TO TRACK AND ANALYZE THE RIGHT DATA

By Tommy Mains and Mark Abbott | August 2023 | © Ninety

A Message from the CEO

Every organization runs on some kind of system. As a business grows and evolves into a company, and a company evolves into a great company, so should its operating system.

At Ninety, we understand the challenges of building, running, and scaling organizations. Our mission is to make that work easier by providing a cloud-based platform with the essential concepts, tools, and disciplines leaders need to upgrade their operating systems.

We believe we're moving into a new age of work — the Age of Understanding, or Work 8.0. The coming of this age was inevitable, but the pandemic accelerated its arrival by about ten years as so many organizations transitioned to remote or hybrid models.

With access to a wider array of opportunities than ever before, people don't just want to punch a time clock — they want to find value and purpose in their lives through Work they love doing (which we refer to as Work with a capital W).

Each of our guides is all about how to master a particular concept, tool, or discipline needed to build a great company in this new age of Work. Great organizations know who they are, what they are, where they are, where they want to go, and what it's going to take to get there.

Our relentless focus is to simplify the hard work of aligning and focusing teams so organizations and their employees can thrive. We're glad you're joining us on this journey. If you have questions or want to learn more, reach out to helpful@ninety.io — we'd love to hear from you.

Gratefully,

Mark Abbott
CEO + Founder, Ninety

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Purpose

Data informs so much of what we do, so it's no surprise that Data is one of the 9 Core Competencies associated with building a productive, humane, and resilient organization where people are focused, aligned, and thriving.

This guide explains how to think about, choose, track, and leverage data so it's crystal clear how your company is doing at every level and in every Seat. We'll also demonstrate how to create agreement-based **Key Performance Indicators (KPIs)** and set up data Scorecards to help predict trends and spot Issues — such as when key figures come in higher or lower than their agreed-to targets.

We created the Data tool to simplify setting up and managing your team's Scorecard. When you're tracking the data that describes your organization's past, present, and future, the Scorecard becomes more than numbers on the screen. It becomes a reflection of your customers, team members, and processes.

LET'S DIVE IN.

- **Read it**

    » We've designed this guide to make it easy to absorb the information quickly. Skim for highlights, glance for big ideas, or dive in for a deeper understanding.

- **Save it**

    » Continue to use this guide as a high-value reference. Highlight, underline, or circle what's most useful. We've even left space for notes.

- **Share it**

    » The information and advice on these pages should be shared. We deeply believe that useful resources should be accessible to all.

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The Concepts, Tools, and Disciplines of Data

"Great companies are driven by a Vision and informed by data."

— Mark Abbott

Work is in our human nature. It's how we make life better for ourselves and others. It's one of the most important ways in which we matter. It's one of the ways we add purpose to our time and impact the world. While work looks different for many of us in the twenty-first century, it remains an essential part of our lives.

When we talk about work, we want to refer to Work (with a capital W), the kind of work we love doing — the kind that brings us purpose and meaning. We need concepts, tools, and disciplines to do this well.

CONCEPTS, TOOLS, AND DISCIPLINES

The concepts that help leaders turn their Vision into reality, the tools they use to align work with the company's Vision, and the disciplines that help keep teams on track toward their goals.

This guide covers the concepts, tools, and disciplines needed to use data to benefit your organization.

Concepts. Part 1 discusses the philosophies around how to use data to keep your organization aligned with your Vision. For help constructing your Vision, download our Vision Builders Workbook.

Tools. Part 2 provides an overview of our Data tool. Learn how to build a Scorecard by establishing KPIs and setting targets within Ninety.

Disciplines. Part 3 offers ways of incorporating the concepts and tools into practical steps to make data work for you.

As we address the foundational concepts, tools, and disciplines of data, it's important to establish some definitions for terms we'll repeat throughout this guide. Some of these terms are commonly used when discussing data collection in business more broadly, while others have specific meanings to many Business Operating Systems and the Ninety platform.

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KEY PERFORMANCE INDICATORS

A Key Performance Indicator (KPI) is a quantifiable metric used to evaluate the success of an organization or team member in meeting agreed-upon objectives for performance. While KPIs are metrics, not all metrics are KPIs. KPIs are only the most essential metrics. In Ninety, KPIs are set and tracked in the Data Scorecard. How you collect and present your KPIs is up to you. We offer weekly, monthly, quarterly, annual, and trailing 4- and 13-week interval options in our Data tool.

KPI Examples:

- Revenue growth

- Customer retention rate

- Cost per lead generated

- Product usage and adoption rates

TARGETS

While KPIs provide a method for observing a given metric, we still need a way to assess our progress. Targets offer a quantifiable marker to aim for and a defined bar to determine when there's an Issue to discuss. Targets also allow leaders and team members to form an agreement about what success looks like.

Target Examples:

• Revenue growth — Achieve a 15% increase in year-over-year revenue.

• Customer retention rate — Maintain a customer retention rate of at least 90%.

• Cost per lead generated — Keep the cost per lead at $30 or below.

• Product usage and adoption rates — Achieve a 70% adoption rate for product feature X within the first six months of its launch.

ISSUE

An Issue is a problem, difficulty, or obstacle to address — or an idea, opportunity, or topic to explore during a meeting. When a KPI is off track, simply right-click it in Ninety to make it an Issue to discuss. We use the Raise, Discuss, and Resolve (RDR) framework to solve high-priority Issues during meetings.

• **Raise** — Issues are raised by anyone on the team or sent to a team from another group. Our Issues tool has several ways of ranking existing short- and long-term Issues to keep meetings moving while solving the problems standing in our way. Raising the Issue involves providing a reason for its discussion and explaining what needs to be solved.

• **Discuss** — Open the floor to anyone closest to the facts of the Issue and those most impacted by it. Allow this discussion to continue while it's productive.

• **Resolve** — The Issue's owner decides when they have enough information or an action plan before calling it solved. Create To-Dos as needed to ensure the team follows up on the Issue's resolution.

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Part 1:
Concepts — How to Use Data

WHAT IS A CONCEPT?

Concepts are time-tested and structured ideas. They provide a foundation for our tools and disciplines and allow consistent processes to form.

CONCEPT #1 — THE FIVE LEVELS OF DATA TRACKING

Data gives insight into performance at five levels (**Figure 1**):

1. **Organization** — KPIs tied to the organization's goals.

2. **Senior Leadership Team** — Three to five of each department's most important KPIs.

3. **Departments** — Three to five of each of its team's most important KPIs.

4. **Teams** — Three to five of each member's most important KPIs.

5. **Individuals** — KPIs tied to their Roles and Responsibilities.

Organizations tend to consist of departments composed of teams that are ultimately made of individuals. Data can be tracked and leveraged at each of these levels.

Changes to a KPI at each level could affect one or more KPIs at levels above, parallel to, or beneath. If one team's KPIs are off target, the team can determine if there's an Issue to discuss or if the KPI's target needs to be adjusted.

The Five Levels of Data Tracking

ORGANIZATION

SLT

DEPARTMENTS
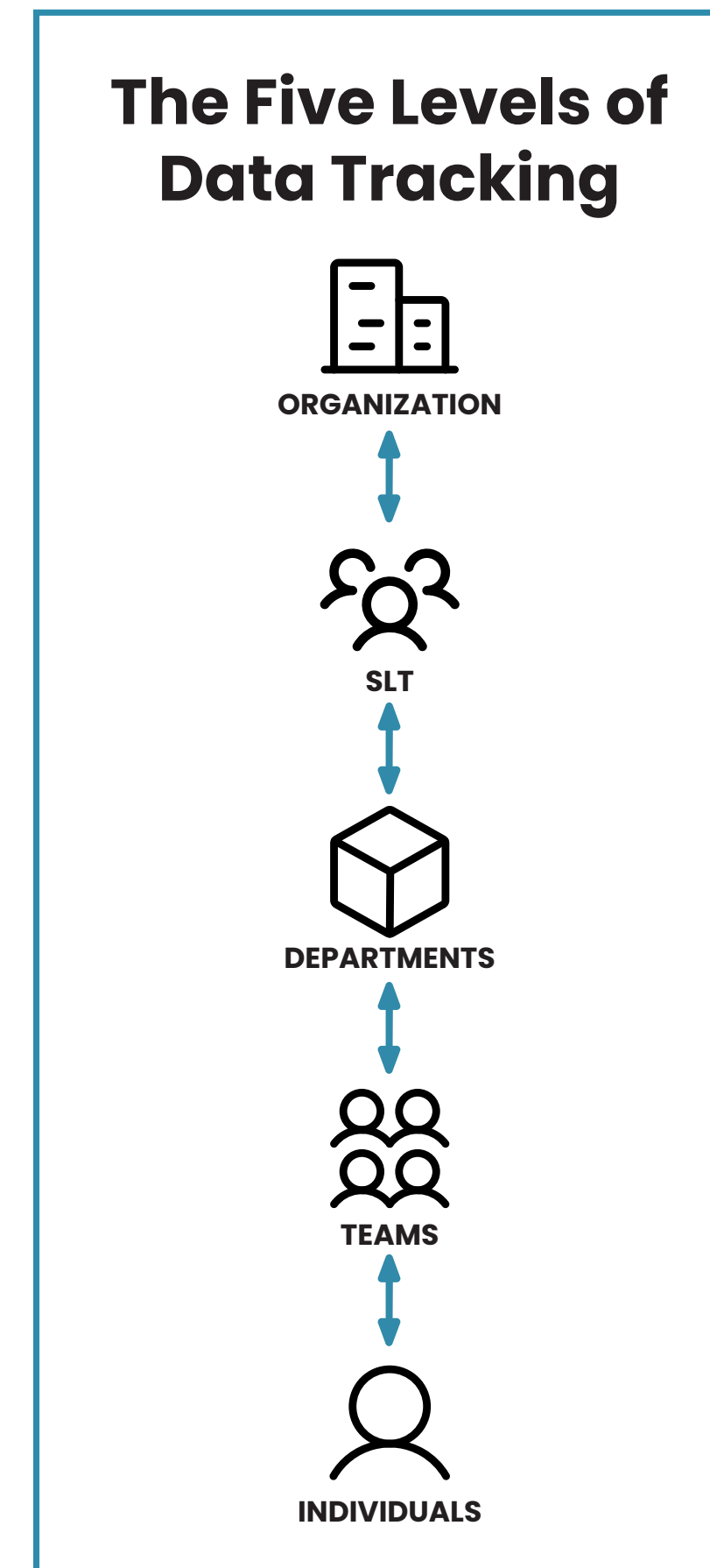
TEAMS

INDIVIDUALS

Figure 1. Our Data tool allows you to capture data at five different levels: the organization as a whole, the Senior Leadership Team, each department, their teams, and individual team members.

Level 1: Data and the Organization's Vision

Your Vision is your organization's definition of its future self and the expression of its highest aims. Our Vision Builders Workbook shows how to simplify and organize your Vision by creating a set of Focus Filters that help ensure that everyone in your organization is aligned around a small number of essential agreements that define who you are as a people. These include your Core Values, Purpose/Passion/Just Cause, Go-to-Market Strategy, and goals.

Your company's goals should consist of several KPIs that show how well you're progressing toward your Vision. For example, at Ninety, two of our company KPIs are the number of companies served and the total number of individuals our platform serves. Your organizational KPIs do more than report on what the organization has already done. They help everyone see the critical non-financial numbers that demonstrate growth and resiliency.

At the company level, we recommend setting a couple of finance-based KPIs (like revenues and profits) and three to five operations-based KPIs (for example, the number of Ideal Customers or the percentage of orders shipped on time).

Level 2: Senior Leadership Team Data

In addition to the organization's KPIs, the SLT's Scorecard should have three to five of each department's most consequential KPIs. With these metrics, the SLT should be able to see the state of the company at a glance during their Weekly Team Meeting (WTM).

It's vital to keep your Scorecard current and relevant. The targets for each KPI should be based on past data, industry averages, or company goals. Have your team report on the KPIs they're accountable for during each Weekly Team Meeting.

The SLT's Scorecard should also tell a story. Meeting or exceeding targets indicates that your efforts and processes are working. This also means that the target and any attached goals could be amplified at the next Quarterly Planning Meeting to keep your team motivated to continue growing.

Level 3: Departmental Data

To reach company goals, all boats must row in the same direction. In simple terms, that means the SLT has a Vision for what the company will achieve in the short and long term, and each department and team's short-term goals are aligned with that Vision.

Quarterly KPI-based goals can be set at the company, department, or team level. These quarterly goals should support the KPIs associated with the company's 1-Year and 3-Year Goals. At the department and team levels, we like three to five KPIs. Too many, and we lose focus; too few, and and we're likely overlooking something, which means we may need to advance our understanding of what we're trying to measure.

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Level 4: Team-Centered Data Tracking

Just as the SLT and department leadership teams benefit from reviewing their Scorecards during their WTMs, most departments tend to have focus or core teams that should follow this practice.

CORE VS. TIGER TEAMS

Core teams are part of a department's essential functioning. These team members are responsible for specific work that's outlined in their Seat descriptions on the Responsibilities Chart. A "tiger" or project team is typically associated with a Rock or pod — which are cross-functional teams that are often formed to support either a product or a specific type of customer.

Your core or focus teams sit inside your department and are responsible for specific work. For example, a marketing department may have a core team that owns paid search, another that owns email, another that owns social, and another that owns operations and analytics. Every one of these teams should have its own Scorecard.

We believe that each team's Scorecard should include the KPIs that help us know whether or not things are running well. As an example, each of our tool pods has about 15 KPIs with targets that help us see that things are running as planned.

Our tool pod KPIs include:

- Velocity

- Percent of daily users

- Number of major and minor bugs

- Number of positive props

- Number of complaints

- Number of approved tool enhancements in backlog

- Number of updates or enhancements released

We want our team members to understand how their work matters and adds value to the organization. The Scorecard provides a quick visual to clarify what's working well and what could indicate an Issue.

Teams should never let a KPI stay off track for more than a week or two without creating a plan to get things back on track. At times, this could mean adjusting the target — especially for a newly established KPI with a target that was off the mark to begin with.

The Data tool in Ninety makes recognizing off-track KPIs easy through the use of color indicators: red to indicate the KPI missed its target for three or more intervals, yellow for at least one interval, and green for on track.

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Level 5: Meaningful KPIs for Individuals

Eventually, every Seat in your organization should have at least three to five KPIs showing the status of critical metrics and when performance indicates an issue. Ideally, each person in your organization only holds one Seat. It's also common for several non-leadership Seats, such as Customer Service Representative, to hold multiple individuals.

Our practice of structuring our Responsibilities Chart by function-specific Seats simplifies how to:

• Determine when it's necessary to add a new Seat.

• Identify when someone has taken on too many responsibilities.

• Describe the specifics of the Roles and Responsibilities a prospective candidate would need to fill.

• Agree on KPIs and targets to avoid falling into the trap of micromanagement.

While every Seat should have at least three to five KPIs, not everyone in that Seat should have the same targets. You may want to give new team members who are still onboarding lower targets, or you may want to give one of your more senior team members lower targets if they have additional responsibilities like taking on a large Rock or captaining a team.

After creating the team's Scorecard, individual team members and their leader can establish a handful of KPIs for the team member's personal Scorecard. Each KPI's target should be the threshold the team member and their leader agree upon. Use the Data tool to flag KPIs as an Issue when they're off track so the team can figure out why and how to get things back on track.

Most Seats can have versions of the following KPI categories:

1. Quality

2. Quantity

3. Following processes

4. Showing up on time and giving a core number of good hours

5. Fulfilling the Roles and Responsibilities outlined in their Seat

While these five concepts get more sophisticated as you rise up the organization's hierarchy of competencies, we've yet to find a Seat where we couldn't apply this basic idea and create KPIs that the Seat holder and team leader agree on.

Advice from Ninety's Founder, Mark Abbott

Team Captains have the added role of monitoring and planning to improve the overall health of their team. They assist the team leader, who also acts as a coach through our leadership philosophy, Lead, Agree, Coach.

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Once the KPIs are clear, the next step is to ensure that the team leader and Seat holder (team member) are in explicit agreement regarding each of the target thresholds associated with each KPI. That's our way of turning an expectation into an agreement. If a team member has great KPIs with reasonable targets and their weekly numbers are consistently on track, it's the leader's job to see that they're getting everything they need to keep it that way.

Accountable people like accountability. Team members respond well to having the clarity that KPIs and agreed-to targets bring. What's more, having KPIs helps team members better understand how their work contributes to the success of the company.

Once you've agreed on the KPIs and the associated targets, the only thing left to do is determine which KPIs to add to the team's Scorecard and which should remain on an individual's Scorecard, which are reviewed during their weekly 1-on-1 meeting. After that, take a quick look at KPIs during the Scorecard section of relevant meetings. If all is well, there's no discussion. If not, decide if the KPI warrants being added to the Issues list so you can collectively figure out why and how to get things back on track.

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CONCEPT #2 — AGREEMENTS INSTEAD OF EXPECTATIONS

We aspire to be a high-trust company: we want high-trust relationships with at least 90% of our Ideal Stakeholders. We practice building trust with our team members by forming agreements instead of relying on unclear expectations.

Advice from Ninety's Founder, Mark Abbott

There are seven primary stakeholder categories for every company. For each category, we advise identifying and pursuing the ideal version. Put simply, Ideal Stakeholders align with your Core Values, culture, and long-term goals.

Primary Stakeholder Categories:

1. Customers
2. Team Members
3. Senior Leadership Team
4. Vendors
5. Strategic Partners
6. Investors
7. Community

For example, when a sales director sets a blanket expectation for all their representatives to bring in 15 new clients each month, they may be neglecting some of the nuances that sales in their industry involve. Instead, the Head of Sales could meet with each representative to form an agreed-upon number of monthly new clients that makes sense with the demographic the representative is responsible for. In our experience, forming an agreement like this will yield better results than just asserting an expectation.

Expectations have many drawbacks, whether imposed on others or ourselves:

- If they're not met, all parties are disappointed. On the other hand, if they *are* met, nobody celebrates because it's what was expected.

- Expectations convey a lack of willingness to discuss the people, processes, tools, technology, and time necessary to complete the job.

- The just-do-it-because-I-said-so approach to leadership is a relic of the past.

- Expectations signal to team members that what they think or feel doesn't matter — the decision has been made without a conversation.

Agreements are arrangements that all parties accept in a transaction. When we create an agreement instead of forming an expectation, we perform a transaction of trust.

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The Benefits of Forming Agreements

When we set expectations of others, it can inadvertently lead to feelings of resentment. On the other hand, striving to create agreements has the exact opposite effect.

Creating agreements yields several benefits:

- It shows team members that we want an authentic relationship with them and recognize their value — we see them. By forming agreements, we validate the person as a part of our team.

- It communicates that we care about who our team members are, what they do, and what they think. By forming agreements, we exercise empathy.

- It signifies our commitment to supporting others and fostering their growth.

- It expresses a willingness to let individuals solve problems their way. By forming agreements, we empower our team members.

- It reflects our dedication to accomplish meaningful work and Get Smart Stuff Done. By forming agreements, we foster productivity.

GET SMART STUFF DONE

Speed and productivity are important, but finding the quickest way to do something is not always the best for stakeholders over the long term. That's why one of our Core Values at Ninety is to Get Smart Stuff Done (GSSD). This maxim broadens our focus from moving quickly to being mindful of each decision and any associated knock-on effects, so we make the wisest choices for the organization over the long run.

Advice from Ninety's Founder, Mark Abbott

The beauty of an agreement is having a solid foundation for a straightforward conversation when an agreement isn't upheld. In that event, we can say: "I thought we had an agreement. Was it you or me, or is there some other problem? Whatever it is, let's work on that."

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KPIs as Agreements

Whatever level of the organization a KPI covers, one person should be accountable for it. Many of our clients refer to the person accountable for a KPI as the "owner." The owner agrees to keep the relevant data updated and raise Issues as needed to meet the KPI's target. Owning a KPI doesn't mean the owner has to do all the work; it means they are accountable for it. Without an owner, the KPI's responsibilities may fall by the wayside.

To put this into perspective, let's consider a four-person team from the admissions office of a local university. The team's leader, Meena, owns a KPI tracking the number of in-state admitted incoming students, with a target of 300 more than the previous year. As the KPI's owner, Meena may assign tasks to the rest of her team to benefit this KPI, such as visiting local high schools and community colleges.

Remember, most team members should own KPIs with targets that indicate when things are on or off track. These KPIs show how we're progressing toward our immediate goals and the organization's greater Vision.

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Part 2:
Tools — Ninety's Data Tool

Tools are force multipliers. Ninety's configurable Data tool makes it clear when things are on or off track so your team can solve Issues and work toward their goals.

Scorecards power Ninety's Data tool. This tool delivers powerful insights into your organization, team, or individual performance. The more you tailor your Scorecard to the information you need, the greater return you'll receive.

WHAT IS A SCORECARD?

We use our Data tool to create Scorecards — a single chart to report, monitor, and analyze the key numbers an organization, team, or individual needs to ensure they're on track with a set of agreements. Each Scorecard is composed of three primary components:

1. **KPIs** keep track of how we're getting our day-to-day work done.

2. **Targets** are an agreed-upon bar to see how a KPI is performing.

3. **Intervals** can be weekly, trailing 4-week, monthly, trailing 13-week, quarterly, and annual — allowing us to see micro and macro trends.

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KEY PERFORMANCE INDICATORS

Key Performance Indicators (KPIs) are a primary vehicle for organizing and gathering our data. KPIs help us:

- Keep a pulse on organizational, departmental, team, or individual performance

- Inform decision-making

- Decipher what's working and what's not

- Track the progress of objectives

- Agree on when there is an Issue

Your KPIs are working for you when they help identify areas that need action. Teams should review their specific Scorecard during weekly meetings. Any surprises should be noted and turned into Issues to discuss.

KPIs, Targets, and Goals

Well-developed, clear, and compelling goals are extraordinarily helpful for building a focused, aligned, and thriving organization. Goals like these orient our efforts and have the power to excite the company.

> ### 💡 TOOL TIP
>
> A target is the stated and agreed-upon numerical objective for a given KPI.

Most organizations tend to have three types of goals:

1. **Financial** — such as increasing revenue by 50% this quarter compared to last year's first quarter.

2. **Operational** — such as filling 80% of our open Seats by the end of the year.

3. **Strategic** — such as being designated a Great Place to Work®.

Some KPIs have goals associated with your 3-Year, 1-Year, and 90-Day Goals that are a part of your Vision. But the vast majority should have targets that identify areas that help us align around where we may have an issue that needs our attention.

For the example goals above, we recommend tracking KPIs with targets that help determine success or failure.

> 💲 **Financial KPI** — Set to a quarterly interval with a target of one-fifth of your quarterly revenue goal.

> 🔄 **Operational KPI** — Set to a monthly interval showing the number of open Seats filled with a target based on the number of current open Seats.

> 🔀 **Strategic KPI** — Set to a yearly interval showing the amount of unspent professional development budget per team member with a target set around 20%.

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KPIs and Time

With Ninety, you can track a KPI across several time intervals — weekly, trailing 4-week, monthly, trailing 13-week, quarterly, or annual. Depending on the data you want to track, selecting the right interval will give you the information you need to determine if things are on track or if you need to make something an Issue to discuss in an upcoming meeting.

Some KPIs are best monitored daily, while others are better viewed over a specific period of time. For example, the number of software bugs detected should be tracked daily to give your engineering team the knowledge they need to triage any particularly troublesome bugs. However, a KPI tracking the company's revenue can show more accurate trend lines when tracked over longer stretches.

Generally speaking, KPIs that you want to track daily or weekly should measure things that are recurring (associated with a process) or solvable (identified from an Issue).

Advice from Ninety's Founder, Mark Abbott

Recurring activities should be owned by a specific Seat as outlined in your Responsibilities Chart. The Process tool should capture any associated processes to make training more efficient and performance more consistent.

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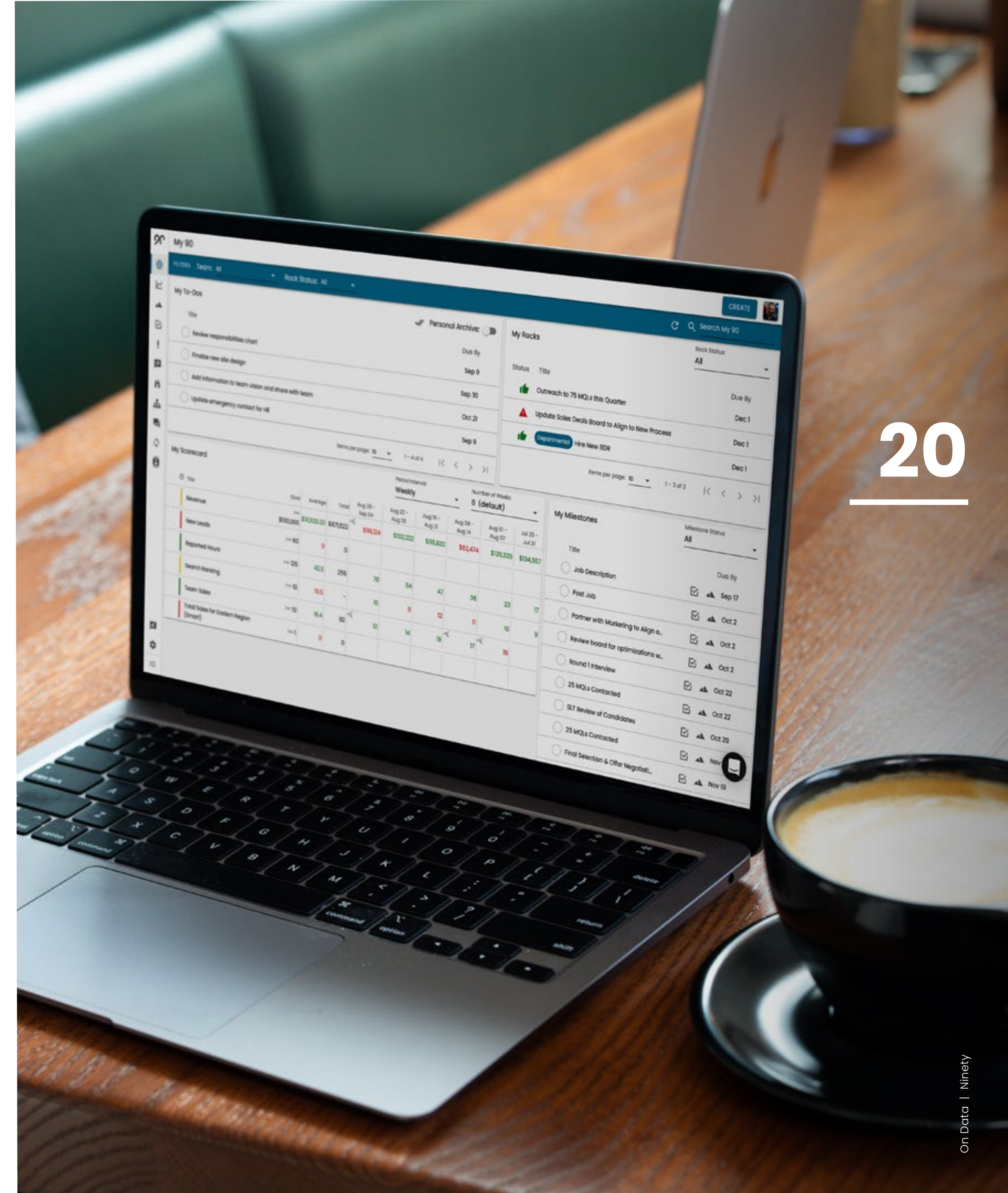
THE SCORECARD

The Scorecard houses all the KPIs and metrics a team needs to understand if your efforts and processes produce the expected results. If not, the target helps us identify that we may need to take some action. Setting up your Senior Leadership Team's Scorecard is essential when you're getting up and running with Ninety.

After mastering the SLT's Scorecard, we recommend rolling out Scorecards to every department. Then, after the departments master this competency, out to teams and eventually to every individual. Departments and the SLT tend to have up to 15 KPIs. Teams vary based on the number of team members, and individuals should have at least three to five KPIs they're responsible for.

Across the organization, any KPI target that's not reached should be a candidate for an Issue to discuss at the next meeting.

Reviewing the Scorecard (**Figure 2**) is baked into every Weekly Team Meeting and Weekly 1-on-1 agenda. This segment should be completed quickly. Look for KPIs with yellow or red indicators, since those may need immediate action or warrant further discussion. In yellow, KPIs indicate that their target was missed once or twice during the previous three intervals. Red represents missing targets for at least three consecutive intervals.

If there's anything worth discussing in detail, turn it into an Issue. Don't try to solve it during the Scorecard review section of the meeting. There may be higher priority Issues on the list, and the KPI-related Issue may be able to wait. It's best to review all Issues together during the Issues segment and prioritize accordingly.

💡 **TOOL TIP**

Right-click any KPI to create a To-Do or Issue quickly.
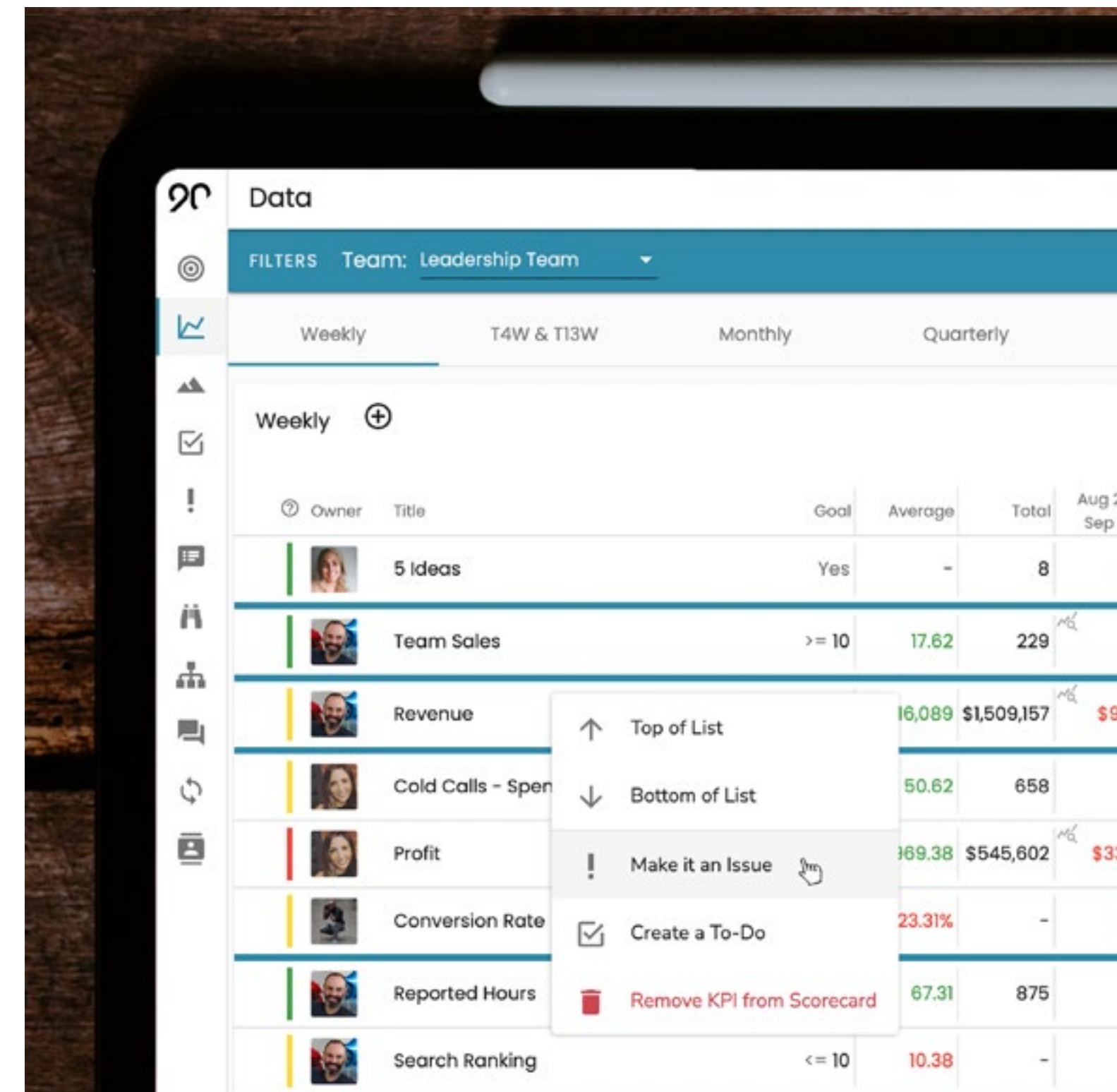
Figure 2. This team's Scorecard shows KPIs with green, yellow, and red indicators.

Solving Issues from Missed Targets

Missed targets happen. When weekly targets aren't met, especially for multiple weeks (or any interval) in a row, hold a conversation to find out why.

- **Does the Issue lie with the team member?** Do they need more training, guidance, or resources to reach the target?

- **Is the Issue with the team's leader?** Did leadership give the team member the appropriate training and coaching? Were expectations turned into agreements? Did they have the resources needed to keep things on track?

- **Is the Issue with the process?** Is an overly complex process making it difficult to hit the target? Are there too many steps where a team member has to rely on others to complete a step before doing their work?

- **Is the Issue with another department?** Is another department dropping the ball on one or more of its parts in the process? Does the other department have its own process difficulties flowing into this team member's work?

- **Is the Issue with the company?** Has the company provided adequate resources to help reach the target? Does the department need more team members to hit the target, or should it be revised?

Starting Your Leadership Team Scorecard

Our Data tool automatically adds 17 financial metrics to the Senior Leadership Team's quarterly Scorecard (**Figure 3**). Read our Help Center article on default metrics for more information.

Figure 3. The SLT's default Scorecard begins with 17 financial metrics: revenue, gross profit, SG&A, EBITDA, net profit, % of regrettable turnover, cash, net working capital, debt, equity, and the number of employees.

As you add metrics to other intervals in the tool, use these tips to help make your SLT's Scorecard as helpful as possible:

- **Less is more.** Try to narrow down the list of KPIs to two or three for each department. The key is to have as few KPIs as needed to show how the organization is doing at a glance.

- **Each KPI has an owner.** The owner of the KPI is responsible for its success, not all the work involved. The owner and the team form an agreement for the KPI against its target.

- **Every KPI has a target.** Once a data point is worth tracking, work with the team to set a target that indicates success. With a target on the Scorecard, the team understands when actions are needed on a given KPI.

- **Continue refining the Scorecard.** Landing on quality KPIs and targets takes some trial and error — especially if you're tracking things that haven't been tracked before. Reassess and revise your Scorecard as data capabilities improve, processes change, and markets shift.

- **Discuss missed targets.** Collecting data is only useful when we're learning from it. If a target is missed, it should be discussed during the next team meeting. Discuss what's behind the miss (what kind of Issue is it: people, process, training, bad target?), agree on a solution, create a To-Do, and keep exploring ideas that will help the organization run better.

- **Automate as much data collection as possible.** Each KPI's owner is responsible for updating the Scorecard before each meeting. Ninety can help you automate some KPIs through our integration with Zapier.

- **The team's Scorecard is a team effort.** If data collection and review is new for your team, ease resistance by including all voices in Scorecard creation, analysis, and revision. The goal is transparency and improvement — never micromanagement.

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Customizing Your Team's Scorecard

Every team is made up of unique individuals. In Ninety, each team's Scorecard should be personalized to their specific needs.

When you create a KPI, you'll attach a unique, trackable unit:

• Number/Frequency

• Currency

• Percentage

• Yes/No

• Time (HH:MM:SS)

Then, you'll select a target based on an "orientation rule," such as a range of numbers or choosing a value to be above, below, equal to, in between — and more.

Use the Data Settings to select which day of the week automated data is uploaded to the Scorecard, enable trailing data, add additional columns, hide current weeks, and activate the color indicator.

Use our Goal Forecasting and Notes features to account for time off from key team members or data variations from seasonal sales. Forecasting allows you to add data entries for KPIs on future dates. This feature builds more flexibility into the tool. And the Notes feature makes it easy to add details to a KPI to help you remember if the number was off target for a specific purpose that may be worth noting for future reference.

Creating Smart KPIs provides options for creating formulas that use existing KPIs as variables. This can save space on your Scorecard and offer valuable insights. For example, you can create a Smart KPI on the department level showing the combined leads generated from any number of teams or individuals.
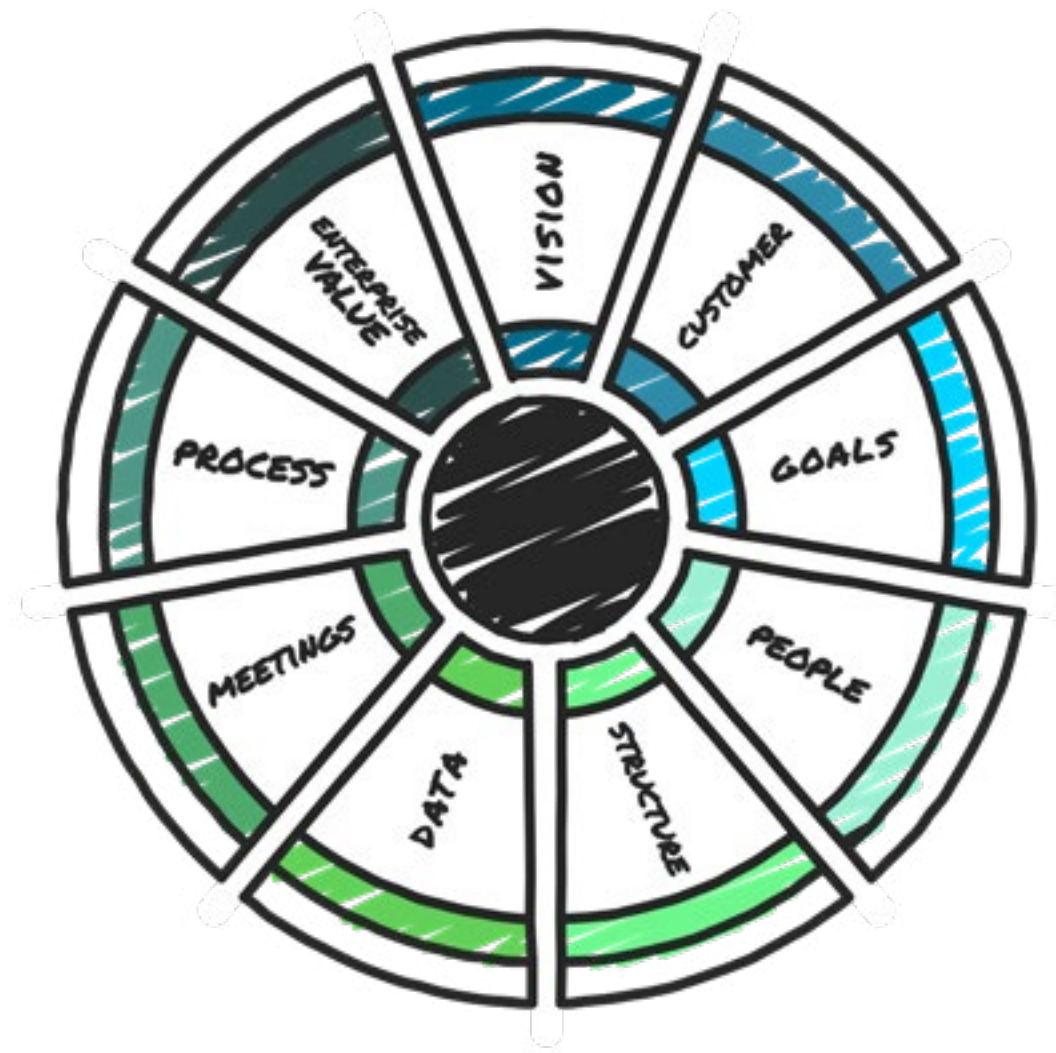
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Discipline — Data as a Core Competency

The 9 Core Competencies are the clear, essential, time-tested, and effective skills and disciplines a business must master to become a great company. Our experience has shown that increasing the strength of your 9 Core Competencies improves your organization's ability to turn your Vision into reality.

Data measures how well a company collects, analyzes, and leverages quality information to accomplish its organizational objectives. Companies that use data to analyze past decisions, inform current priorities, and predict future performance have made data their superpower.

When data is leveraged to its fullest ability, it can help companies make sense of where they've been and where they're at, so they can confidently decide where to go next.

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The 9 Core Competencies

We've identified the 9 Core Competencies a business needs to master to scale the Stages of Development and become a great company. Start your journey by taking our Baseline Assessment to see your strength across the competencies.

Data can be used to inform the other Core Competencies, increasing your ability to make the right decisions your organization needs.

- **Vision and Data.** An organization's Vision defines its identity. Harness data to find the path you need to take to turn your Vision into reality by identifying variables holding you back and creating a plan to move forward.

- **Customers and Data.** Great companies locate and market to their ideal customers. Collecting data from a customer relationship management system (CRM — such as Salesforce, HubSpot, or Microsoft Dynamics 365) or organization-specific spreadsheets helps to inform marketing initiatives, sales opportunities, and the state of customer relationships.

- **Goals and Data.** Clear and compelling goals inspire organizations to reach new heights. Goals should be measurable to understand when they're completed. After establishing a goal worth striving for, create KPIs that indicate whether the goal is on or off track.

- **Structure and Data.** An organization's structure is composed of employees, teams, and departments fulfilling highly focused, function-specific roles. These are evaluated through data such as KPIs with targets and To-Do and Rock completion. When team members and their leaders meet for feedback, Ninety provides instant access to this data, helping organizations ensure they have the right people in the right Seats.

- **People and Data.** Establishing and maintaining a positive culture provides your people with opportunities for growth, a view of the company's future, and a trusting environment. Keeping data transparent on your team's Scorecard instead of in a filing cabinet or stored on someone's computer builds a healthy company culture. Use data to take care of your team members by finding and tracking the variables that help them thrive. Are people taking time off? Are they using professional development budgets? Are they receiving sufficient benefits?

- **Meetings and Data.** A proper meeting cadence keeps organizations thrumming at the right frequency. The Weekly Team Meeting (WTM) is at the heart of how we organize our meeting cadence. Checking the KPIs on the team's Scorecard is baked into the WTM agenda. We also review progress on To-Dos and Rocks during WTMs. These short-term markers accumulate quarter after quarter to build a productive organization. Keeping tabs on the data that maintains our course is essential.

- **Process and Data.** Proven, scalable processes should be documented, implemented, and followed. Results that are worth repeating need a defined process in place. Use data to help decide which steps to include so your processes make the biggest impact.

- **Enterprise Value and Data.** Maintaining an organization worth working for with goals worth working toward takes capital. Mastering enterprise value creates a resilient organization that is built to last. Delivering accurate financial records will keep you in touch with investors, but there's more to enterprise value than that. Grasping how you create value and can continue to do so benefits all your stakeholders.

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Getting Started with the Data Competency

We recommend applying two practices to get more out of data:

1. A top-down approach by building the company's Scorecard.

2. A bottom-up approach with setting team member KPIs.

Small businesses should establish a company Scorecard monitored by the Senior Leadership Team (SLT). The data in the company's Scorecard should include the most essential information the SLT needs to see to assess the state of the company at any given moment — including financial, operational, and people metrics.

For example, if most of a construction company's new customers come from referrals, their SLT would be better served by monitoring metrics regarding gross margin on current projects rather than number of website visits.

After the company Scorecard is solidified, each SLT member can roll out Scorecards for their departments and teams. When building out a team's Scorecard, we like having team members suggest KPIs that would indicate Issues to Raise, Discuss, and Resolve (RDR) if they're off track. Having our team members initiate this process gives insight into how well they understand their Seat.

We strongly recommend that every Seat have at least three KPIs. Having just one or two tends to give too much weight to a single aspect of the Seat.

Invest in Getting Data Right

Great companies are driven by a Vision and informed by data. We use data to help us get to and accomplish our greatest aspirations. When organizations do the opposite — let data drive their Vision — they can get too caught up in past results, which may not be helpful to the future they're building toward. To paraphrase hockey legend Wayne Gretzky, we need to skate where the puck is going, not to where it's been.

When starting from scratch, creating data systems and processes can be overwhelming, but we're here to help. This work is worth the effort because it helps your organization move closer to its goals. Every piece of information that's recorded and analyzed can provide insights that lead to better performance in the future.

- **Working harder doesn't always work.** If an underlying problem contributes to disappointing numbers, it will be hard to make significant progress without tackling the problem at its source. Are revenues down because the sales staff is not making enough phone calls? Because a competitor has significantly dropped its prices? Because operations are backed up?

- **Data helps leaders understand their company better.** Spending more time reviewing our data will help us start spotting problems in time to address them. Team members can also identify trends, make plans, and track the key input-related KPIs needed to hit goals.

- **Tracking data helps us make informed decisions.** People are often influenced by their moods more than the facts on the ground. Data helps leaders make decisions based on how things are actually going, not how it seems like they're going, or worse, how they wish things were going.

- **Data tracking helps keep people on the same page.** In many workplaces, each department becomes an informational silo, and people have little visibility into what's happening in other departments. Having data Scorecards makes it clear to our team members what matters most. It helps everyone see how a team or department contributes to the organization's success.

- **Data helps improve productivity**. It's hard for team members to excel at work if they don't know what factors constitute success. Even more importantly, they need to know what constitutes an Issue. Leaders and team members should set targets around KPIs together. These targets are agreements that help identify Issues to resolve or successes to celebrate.

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Takeaway

Harnessing the concepts, tools, and disciplines of data empowers organizations to understand their past, examine their present, and predict their future. We'll continue improving our Data tool and offering insights and best practices to keep you on track for turning your Vision into reality. With agreement-based KPIs on every team's Scorecard, your organization will be well on its way to mastering the Data Competency.

WHAT'S NEXT?

Thank you for taking the time to explore this guide. Now that you have a sense of how these concepts and their related tools advance a company's Vision, you may be eager to implement them in your own organization. We're here to help! Find more company-building information in our 90u Library.

TRY NINETY TODAY

CONTACT US

We love when we get the chance to chat with you directly. We have real people who are incredibly well-versed in Ninety ready to help you on your journey. Message us through the chat widget anytime!

You can also email us at helpful@ninety.io.

RESOURCES

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  » Implementing Ninety Course — 6 live sessions to help you have a successful onboarding experience

  » Cascading Ninety Course — 4 live sessions to help you use Ninety throughout your organization

Key Terms

- **9 Core Competencies** — The nine areas businesses need to master to build a great company — Vision, Customer, Goals, People, Structure, Data, Meetings, Process, and Enterprise Value.

- **Concepts, Tools, and Disciplines** — The concepts that help leaders turn their vision into reality, the tools they use to align work with the company's vision, and the disciplines that help keep teams on track toward their goals.

- **Go-to-Market Strategy** — A piece of your Vision that includes your industry, niche, Ideal Customer personas, and Unique Value Proposition.

- **Key Performance Indicator (KPI)** — A quantifiable metric used to evaluate the success of an organization or team member in meeting agreed-upon objectives for performance.

- **Purpose/Passion/Just Cause** — A Focus Filter of your Vision that includes the reason your organization exists (Purpose), the powerful emotions that influence you (Passion), and a future state so appealing that you're willing to sacrifice and work toward it (Just Cause).

- **Scorecard** — A single chart to report, monitor, and analyze the key numbers an organization, team, or individual needs to ensure they're on track.

- **Seat** — A function-specific role or position in an organization that carries accountability for a set of responsibilities. We use the Responsibilities Chart to structure all the Seats we require to operate.

- **Target** — An agreed-upon bar set for a KPI. Ninety's Data tool shows KPIs as being above, below, or equal to their targets.

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