

Thinking about measures and metrics - workshops

This pack contains the outline of two workshop formats to help think about how to use measures and metrics in a purpose led business. They take 2 slightly different approaches and can be used either as alternative workshops or as 2 consecutive workshops.

Overview and objective

Most companies ask us how they can assess their progress in becoming purpose led. Purpose cannot be measured directly and evaluating social outcomes and the quality of human relationships is difficult. Some measures and metrics are, however, essential to enable oversight, inspire progress and assess alignment to the purpose, and help enable the right conversations with management and investors. But it is important to remember that not all problems have a data solution. “What counts is what gets counted and what really counts can’t be counted.” The challenge is to recognise that both statements are true and to seek good proxies.

The key to using metrics well is to use them to have a conversation – to understand what can be learned from them and to use this learning to inform strategy. Measures and metrics are inputs to inform better decisions, help understand how to create better quality relationships and better dialogue.

They can also reinforce or send clear signals about what the business cares about, be consistent with its purpose and respect for people and planet, and so help to enable the business to cultivate an environment where the purpose can come to life

Workshop A - helps participants to explore how measures and metrics affect their personal motivation and behaviour, the impact this has on others and on the business, and the potential unintended consequences of measures.

Workshop B - can be used to discuss specific measures and metrics, explore the assumptions behind the measures and consider their potential unintended consequences.

Background reading / Pre read

HBR article: <https://hbr.org/2019/09/dont-let-metrics-undermine-your-business>

Workshop A [duration: 1½ hours]

Timings	Content	Outcomes / Notes for facilitators / Resources
5 minutes	<p>Welcome</p> <p>Workshop Aims:</p> <ul style="list-style-type: none"> • explore how measures and metrics can be used to help businesses on their journey to becoming purpose led • explore how to avoid potential unintended consequences <p>The workshop is not a discussion of the specific types of measures or metrics or ways to develop them or of the regulatory & statutory reporting requirements</p>	<p>Set the expectation for the session</p> <p>Outline the workshop objectives</p>
15 minutes	<p>Exercise 1: Each person to briefly introduce themselves and take 1-2 minutes to share views on: Why do we need to measure? What is the purpose of measures?</p> <p><i>Alternative approach:</i> Show a range of different images - ask everyone to choose an image that reflects how they think about measures. Everyone takes 1-2 mins to briefly introduce themselves and explain which image they chose and why</p>	<p>Depending on the numbers – break into breakout groups If splitting into breakouts, allocate someone to report back and build in time for each group to report back</p>
10 minutes	<p>Context setting</p> <ul style="list-style-type: none"> • High level reminder of what it means to be purpose led • Draw on some of the points that come out of exercise 1 • Drawing on the Blueprint perspective on measures: <ul style="list-style-type: none"> - Metrics can be helpful and necessary in understanding and assessing progress, but it is important to remember that not all problems have a data solution. “What counts is what gets counted 	<p><u>Resources:</u> sample slides</p> <p><u>Frame rest of the workshop</u></p> <ul style="list-style-type: none"> - Park – any specific ‘purposes’ of metrics that are not going to be explored in the workshop (e.g. external reporting required by regulators etc.) - Clarify the scope of the workshop – thinking about measures and metrics in the context of helping to assess the journey in being purpose led – not to REPORT on it but to INFORM the journey (using metrics

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	<p>and what really counts can't be counted." The challenge is to recognise that both statements are true.</p> <ul style="list-style-type: none"> - The key to using metrics well is to use them to have a conversation – to understand what can be learned from them and to use this learning to inform strategy - Measures and metrics are <u>inputs</u> to inform better decisions, help understand how to create better quality relationships and better dialogue. - Measures can reinforce / send clear signals about what the business cares about (i.e. be consistent with its purpose and respect for people and planet) and so help to enable the business to cultivate an environment where the purpose can come to life 	<p>as a input rather than at output) / measures as a means not an end in themselves</p> <ul style="list-style-type: none"> - Be clear it will not be a detailed discussion of specific metrics and how develop them
<p>55 minutes</p> <p>45 minutes in breakouts</p> <p>10 minutes to report back</p>	<p>Exercise 2: Split into break out groups (max 5-6 per group)</p> <p>Ask each person to reflect back on their careers, the measures and metrics they were aware of and how they were used:</p> <ul style="list-style-type: none"> • how did they impact your motivation? • how did they affect how you interacted with other people? • what was the impact on others / on your business relationships? • what broader impact did they have? <p>Back in plenary – ask each group to report back (1-2 minutes) Draw out reflections</p>	<p>As each group to allocate someone to report back The objective is to explore how measures affected the motivation of the participants, how this affected interaction with others and the impact on the business as a whole</p> <p>Encourage participants to not only explore negative impacts but also times when they were thriving at work / were intrinsically motivated – what place did measures and metrics have then?</p>
5 minutes	<p>Wrap up Key takeaways, or what questions are each of you holding? Next steps?</p>	


Workshop B [duration: 1½ hours]

Timings	Content	Outcomes / Notes for facilitators / Resources
5 minutes	Welcome Workshop Aims: <ul style="list-style-type: none"> explore how measures and metrics can be used to help businesses on their journey to becoming purpose led explore how to avoid potential unintended consequences <p>The workshop is not a discussion of the specific types of measures or metrics or ways to develop them or of the regulatory & statutory reporting requirements</p>	Outline the workshop objectives Set the expectation for the session
15 minutes	Exercise 1: Each person to briefly introduce themselves and take 1-2 minutes to share views on: Why do we need to measure? What is the purpose of measures?	Depending on the numbers – break into breakout groups If splitting into breakouts, allocate someone to report back and build in time for each group to report back
10 minutes	Context setting (see workshop A)	
55 minutes 45 minutes in breakouts 10 minutes to report back	Exercise 2: Think about 1 or 2 measures [each group to be allocated 1 or 2 measures to discuss] Q1: What were the assumptions behind these measures: <ul style="list-style-type: none"> about people? about the purpose of the business? Or what the business cares about? 	This exercise could be used to discuss a set of draft measures or to discuss some existing measures or metrics

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	<p>Q2: What might be some of the unintended consequences of:</p> <ul style="list-style-type: none"> - the processes behind the development of these measures - the measures themselves - the way the measures are communicated and reported - how they are used <p>Q3: what 1 thing would you do differently and why?</p> <p>Back to plenary: each group reports back on Q3</p>	
5 minutes	<p>Wrap up:</p> <p>Key takeaways, or what questions are each of you holding</p> <p>Next steps?</p>	

Resources:

Sample slides with presentation talking points


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What does it mean to be purpose led?


A purpose led business:

- Has a **purpose which serves society** – envisages a positive impact on the world which shapes its thinking and drives decision making. There is a clear, simple and credible narrative which links the purpose to the strategy and to the outcomes and impact that arise from that strategy (both financial and non financial)
- Has a way of thinking about people which sees the **business as a set of relationships** and understands that the long term success of the business depends on the quality and sustainability of these relationships – with its employees, customers, suppliers, society and its responsibilities to act as a guardian for future generations
- Creates the conditions where **each person is seen as a someone not as something**, respects the dignity and value of people, and seeks to have a positive impact on the lives of those it touches

For more: see video of Charles Wookey on Purpose led business at: <https://youtu.be/ikxh3gM1BQ8>

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What does a purpose led business look like?

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FIVE PRINCIPLES OF A PURPOSE DRIVEN BUSINESS

HONEST AND FAIR WITH CUSTOMERS AND SUPPLIERS <ul style="list-style-type: none"> Seeks to build lasting relationships with customers and suppliers Deals honestly with customers, providing good and safe products and services Treats suppliers fairly, pays promptly what it owes and expects its suppliers to do the same Openly shares its knowledge to enable customers and suppliers to make better informed choices 	A GOOD CITIZEN <ul style="list-style-type: none"> Considers each person affected by its decisions as if he or she were a member of each decision-maker's own community Seeks and provides access to opportunities for under-represented groups Makes a full and fair contribution to society by structuring its business and operations to pay promptly all taxes that are properly due
A RESPONSIBLE AND RESPONSIVE EMPLOYER <ul style="list-style-type: none"> Treats everyone with dignity and provides fair pay for all Enables and welcomes constructive dialogue about its behaviour in keeping true to its purpose Fosters innovation, leadership and personal accountability Protects and nurtures all who work for it to ensure people also learn, contribute and thrive 	HAS A PURPOSE WHICH DELIVERS LONG-TERM SUSTAINABLE PERFORMANCE <ul style="list-style-type: none"> Operates true to a purpose that serves society, respects the dignity of people and so generates a fair return for responsible investors Enables and welcomes public scrutiny of the alignment between stated purpose and actual performance Honours its duty to protect the natural world and conserve finite resources Contributes knowledge and experience to promote better regulation for the benefit of society as a whole rather than protecting self interest Invests in developing skills, knowledge and understanding in wider society to encourage informed citizenship
A GUARDIAN FOR FUTURE GENERATIONS	

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