



Tips on Measurement

From Ken Miller, Author of [We Don't Make Widgets](#)

- The purpose of measurement is to learn. Period.
- Measurement exists to start a conversation. As long as that conversation is about why, not who, it can be valuable.
- For measurement to be useful, we have to be comfortable being vulnerable. How we respond to bad results will shape the entire culture around measurement and performance.
- In most of the conference rooms I have visited, managers are conducting fearful interrogations with powerless people over inconsequential things that are easy to measure, instead of inquisitive dialogues among peers about important things that may be hard to measure.
- A system is finely tuned to give you the exact results you are getting. If you don't like the results, change the system.
- Be wise about how you interpret and analyze your data:
 - The performance of any system varies around a mean. What goes up, must come down.
 - Common cause is the typical, historical, quantifiable variation within a system. The variance is inside the system - there is no assignable cause.
 - Special cause variations refer to the unusual anomalies that haven't been previously observed. Something outside the system caused the performance variance. It's a surprise.
- The three performance review mistakes:
 - Looking for answers where there are none - there is no cause because there are millions of causes within the system.
 - Seeing trends where there are none - two data points does not equal a trend!
 - Finding heroes and villains when there are neither - if the performance is within the control limits, results above or below the mean are just good or bad "luck".
- Understanding variation doesn't mean we can't strive to do better. We want all performance to be invariably awesome. But the only way to do that is to fix the system.
- Setting stretch targets doesn't fix systems. Fixing systems fixes systems.