

Your notes:

In Lesson 1...

- An introduction to the **power** of Smart Charts
- The **anatomy** of the Smart Chart
- Misconceptions and **traps** to avoid

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How to Get the Truth Out of Your KPIs **USING SMART CHARTS**

Your notes:

Example: Water quality

- Measures the result of 'Water quality is maintained at intended levels'
- One measure is # of hours per month fluoride levels are above maximum



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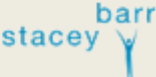
Your notes:

Month to month variance

Measure	This month	Last month	% Variance	Result
Fluoride Hours Above Maximum	4.45	19.97	-77.7%	✓

Measure	This month	Same month last year	% Variance	Result
Fluoride Hours Above Maximum	4.45	4.15	7.2%	?

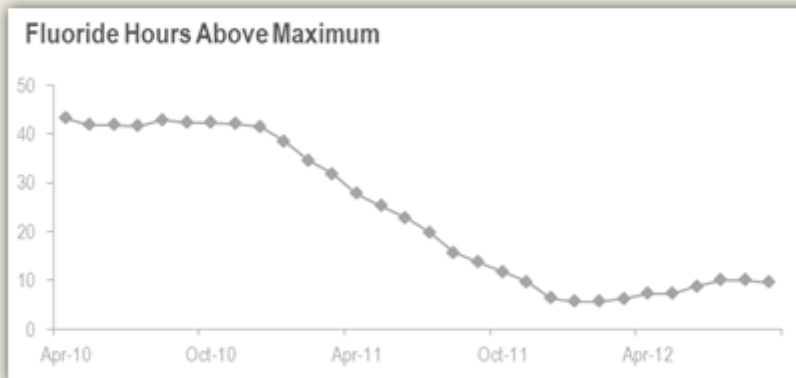
Measure	This month	Target	Variance	Result
Fluoride Hours Above Maximum	4.45	0	4.45	✘

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Moving average

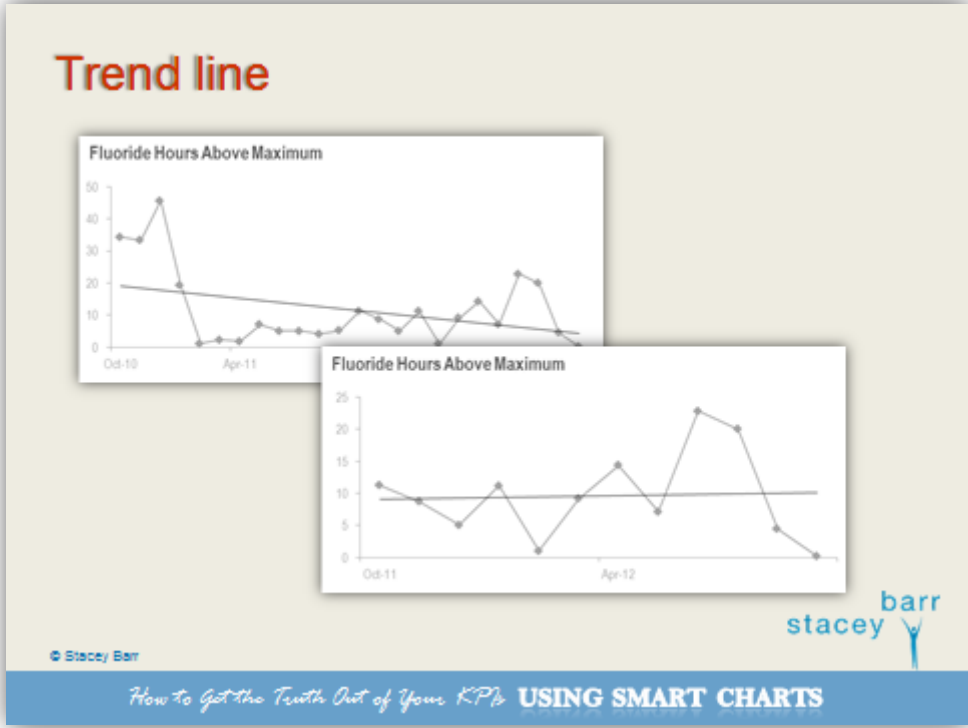


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Your notes:

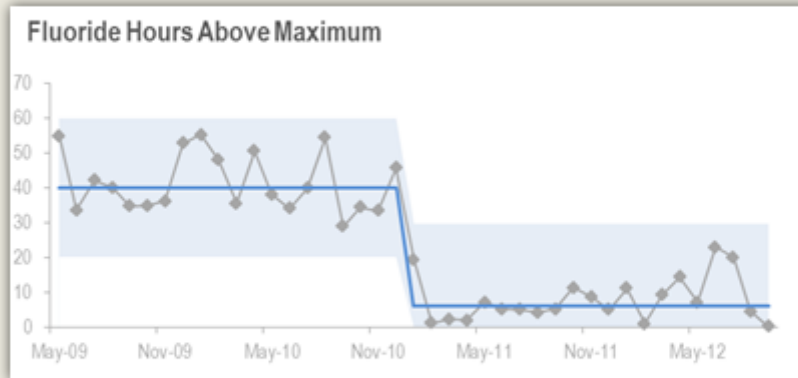


Your notes:



Your notes:

A Smart Chart is powerful.



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Your notes:

A Smart Chart is powerful.

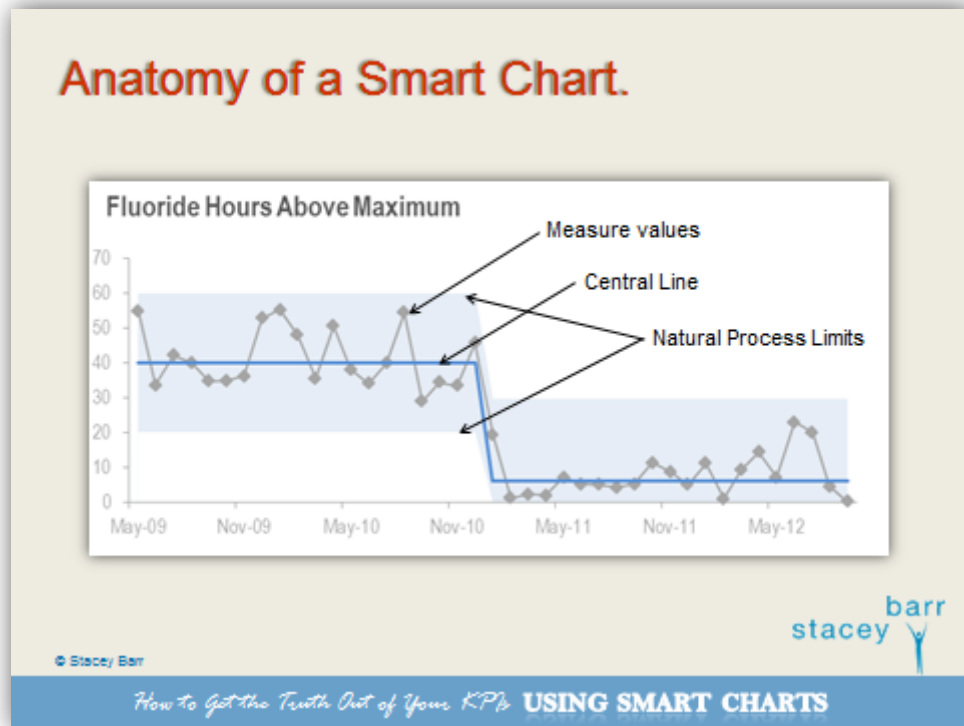
Fluoride Hours Above Maximum

Fluoride Hours Below Minimum

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*How to Get the Truth Out of Your KPIs***USING SMART CHARTS**

Your notes:



Your notes:

The background of Smart Charts

A Smart Chart is known as an XmR chart in quality and process improvement circles. It's a particular type of statistical process control chart that suits the type of measurements that KPIs are: single values that we compute at regular intervals like weekly, monthly or quarterly.

In an XmR chart, the X simply means your performance measure, and the mR stands for "moving range" which is the method that will be used to filter the noise from the signals in your performance measure.

There are other types of statistical process control charts, and courses to learn how and when to use them. If you're more technically minded, I would recommend Donald Wheeler of SPC Press as the guru in this field.

Why call them Smart Charts?

I call XmR charts "Smart Charts" largely because buy-in is the largest obstacle we face in performance measurement. And when we want people to realise the terrible bad habits they have around interpreting their KPIs and measures, we need to make it as easy and approachable as possible. I think the term "XmR chart" is a bit too technical, even though it is a very simple and practical method that suits the majority of performance measures.

This Using Smart Charts course will give you all you need to make a dramatic transformation in the value you get out of your KPIs and performance measures.

For interpreting what performance is doing, the Smart Chart is far superior to limited comparisons like comparing this month to last month, or the to the same month last year, or to target!

Natural Process Limits are NOT targets!

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Your notes:

Traps to avoid.

- **Don't** make up your own Natural Process Limits!
- **Don't** recalculate every month/week!
- **Don't** change your KPI calculation, data or scope!
- **Don't** think the only signals are when points fall outside!

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