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# USE CUSTOMER PERFORMANCE INDICATORS TO ALIGN YOUR SCHOOL DISTRICT'S STRATEGY

ACHIEVING CUSTOMER FOCUS AT  
SCHOOL DISTRICTS

A few years ago, I worked with a school district that monitored more than 200 KPIs deemed essential to strategic success: achievement gap, school climate, parent engagement, teacher turnover, student turnover, technology adoption, hours of teacher training and an index of school disciplinary placements, to name a few.

The school superintendent's bonus was based on the 200 metrics. But the district had not been able to measure all 200 KPIs for the past 10 years. Worse, the school board could not agree on the smaller number of KPIs to focus on.

The district leadership was also divided on what measurements mattered.

- ❖ The human resources department stressed teacher training and school climate. Yet, it could not track the training programs or measure school climate. Worse, they could not quantify the impact of teacher training or school climate on student achievement or retention.
- ❖ The marketing group felt that the district needed a better parent engagement strategy, yet it had measured parent engagement five years ago using focus groups of few parents.
- ❖ The chief academic officer claimed that SAT scores, percent of students meeting academic standards and achievement gap among minority groups were the only outcomes that mattered.
- ❖ The operations department created metrics like on-time pick-up of students and nutritional value of cafeteria food.
- ❖ Not to be outdone, the chief technology officer touted the number of classrooms with high-speed internet access as the focal metric.

The superintendent and school board members were drowning in a sea of metrics spawned by the multiple initiatives championed by senior leaders.

## Metrics Mania at School Districts

Why do well-meaning school districts end up with an unmanageable list of metrics?

Superintendents and their leadership teams get fixated on launching programs, each program bringing its own set of resources and metrics. They equate programs and initiatives with strategy.

To succeed, districts must measure customer performance indicators (CPIs). CPIs track the district's ability to satisfy customers—parents and children.

Satisfied customers increase the district's enrollments and cash flow through recommendations, retention, positive word-of-mouth and reduced operating costs.

Focusing on customer satisfaction alleviates the pressure of responding to the momentary desires, impulsive demands, wishes, yearnings, and proclivities that a small selection of vocal parents may express in unstructured conversations. Pleasing vocal customers does not create customer value for the long term or at scale.

## Why use customer value (CPI™) for strategy?

Customer performance indicators for a school district measure the customers' most important needs, their loyalty intentions and outcomes.

- **Satisfaction CPIs:** A systematic survey of customers on an annual or bi-annual basis can measure overall customer satisfaction and satisfaction with key strategic areas that drive overall satisfaction.
- **Loyalty CPIs:** Loyalty CPIs measure customers' intentions to engage in behaviors that will benefit their school, including intention to stay, recommend it to friends and family, and talk positively about it.
- **Outcome CPIs:** The most widely used outcome CPIs include customer retention, revenues, and academic outcomes measured at the customer level.

CPIs can monitor trends across different business units (such as schools, regions, divisions and product lines) and over time (quarterly, semi-annually and annually).

Ideally, CPIs should drive operational KPIs. For example, a CPI such as student satisfaction with safety can drive a school district to monitor KPIs such as number of disciplinary referrals and bullying incidents per hundred students. Through this mirroring, KPIs can drive operational processes and accountability in a way that satisfies a school district's customers.

To be successful, school districts should track KPIs that are based on specific behaviors and outcomes for which employees can be held accountable. Successful districts develop KPIs that mirror their CPIs.

## Case Study: Urban School District

After focusing on academic performance and safety, the school district developed CPIs and KPIs:

- **Satisfaction CPIs:** An annual survey measured overall satisfaction and satisfaction with academics and school safety for each school. The results were comparable across schools and provided consistent and timely feedback to each school principal.
- **Loyalty CPIs:** This included the likelihood that parents would re-enroll their child in the school for the next academic year and recommend it to friends and family.
- **Financial CPIs:** The most relevant financial CPIs included the percentage of students who chose to re-enroll and the number of new students attending the school.
- **Operational KPIs:** The district culled operational metrics related to school safety and academics. For school safety, the school tracked three operational KPIs: an index of bullying incidents in the school, an index of disciplinary placements and

an index of safety training procedures implemented by a school. For academics, the KPIs included test scores for reading and math, learning growth in reading and math for each school cohort, and a reduction in the achievement gap for the school's student body.

Using this model, the school district regained its strategic focus. Whereas neighboring school districts were losing students, this district increased its student body by more than 5% each year, improved its financial reserves, was recognized by for its achievement and attracted higher-quality principals and teachers.

## What's Next?

Strategy planning and implementation in a school district can only become customer focused if senior leaders start with customer focus. For this, they need to know the most important drivers of customer value.

C-CUBES-K12<sup>™</sup> utilizes a benchmark customer assessment to identify the most important customer needs. From there, school-district leaders working in conjunction with principals can craft school specific implementation plans.

## Author Bio

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