

Performance measurement has been defined by Neely (2002) as "the process of quantifying the efficiency and effectiveness of past actions", while Moullin (2002) defines it as "the process of evaluating how well organisations are managed and the value they deliver for customers and other stakeholders".

Performance measurement estimates the parameters under which programs, investments, and acquisitions are reaching the targeted results.

All process of measuring performance requires the use of statistical modelling to determine results. A full scope copy of the performance of an organisation can never be obtained, as generally some of the parameters cannot be measured directly but must be estimated via indirect observation and as a complete set of records never delivers an assessment without compression to key figures.

Several performance measurement systems are in use today, and each has its own group of supporters. For example, the Balanced Scorecard (Kaplan and Norton, 1993, 1996, 2001), Performance Prism (Neely, 2002), action-profit linkage APL (Epstein & Westbrook, 2001) and the Cambridge Performance Measurement Process (Neely, 1996) are designed for business-wide implementation; and the

approaches of the TPM Process (Jones and Schilling, 2000), 7-step TPM Process (Zigon, 1999), and Total Measurement Development Method (TMDM) (Tarkenton Productivity Group, 2000) are specific for team-based structures.

Although the Balanced Scorecard has become very popular, there is no single version of the model that has been universally accepted. The diversity and unique requirements of different enterprises suggest that no one-size-fits-all approach will ever do the job. Gamble, Strickland and Thompson (2007, p. 31) list ten financial objectives and nine strategic objectives involved with a balanced scorecard.

In construction an annual Industry Performance Report publication produced in partnership between Glenigan and Constructing Excellence seeks to map trends across the construction sector.

The report, prepared in partnership with the Construction Industry Training Board (CITB) and endorsed by the Department of Business Innovation & Skills (BIS) and Constructing Excellence, maps trends and sets benchmarks across the construction sector.

Based on data from thousands of projects completed during the preceding year, the Construction Key Performance Indicators (KPIs) have become a mainstay of the industry since their initial development in 1998. The KPIs are collated by Glenigan from surveys of construction clients, contractors, sub-contractors and consultants, covering issues such as client satisfaction, profitability, safety and environmental protection.

