



# KPI Tree

TEMPLATE

# Introduction

This KPI tree template helps you link business outcomes to HR outcomes and activities, using key performance drivers as the bridge.

For each business outcome, use a separate page. Work backward to identify the key performance drivers that connect it to the relevant HR outcomes and the activities that will produce them.

The example on page 3 illustrates how each link in the HR Value Chain connects, using the Telline case study as an example. For background on the case, refer to the section *The Telline Case: Linking People Initiatives to Profit Margin*.

## The Telline Case: Linking People Initiatives to Profit Margin

Telline is a 250-person call center company aiming to increase its profit margin by improving efficiency and customer experience. To achieve this, Nicole, the HR leader, mapped how HR initiatives directly influenced the company's performance using a KPI tree.

At the business level, the goal was clear: Increase profit margin by improving three key drivers:

- First call resolution (issues solved on first contact)
- Customer satisfaction
- Service level (availability to handle calls)

Nicole and her team identified how HR activities could influence these key performance drivers through measurable HR outcomes:

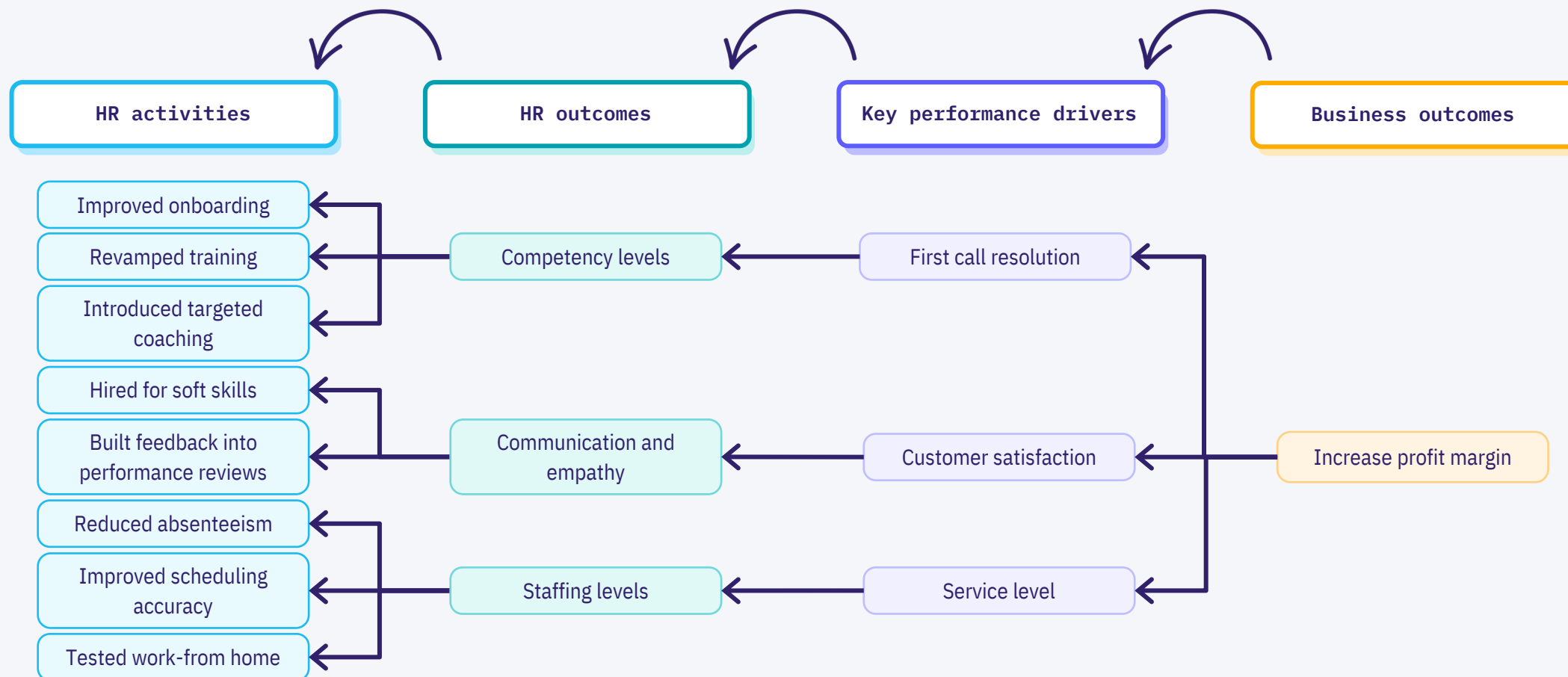
- By improving onboarding, training, and coaching, HR raised employee competency levels, leading to better first call resolution.
- By hiring for soft skills and embedding feedback into performance reviews, HR enhanced communication and empathy, improving customer satisfaction.
- By reducing absenteeism, improving scheduling accuracy, and testing work-from-home options, HR optimized staffing levels, strengthening service levels during peak times.

Each HR activity was designed around a key performance driver (KPD) that connected people practices to business impact.

Through this approach, Telline shifted from tracking HR processes to driving financial performance, showing how HR can strategically contribute to profit growth.

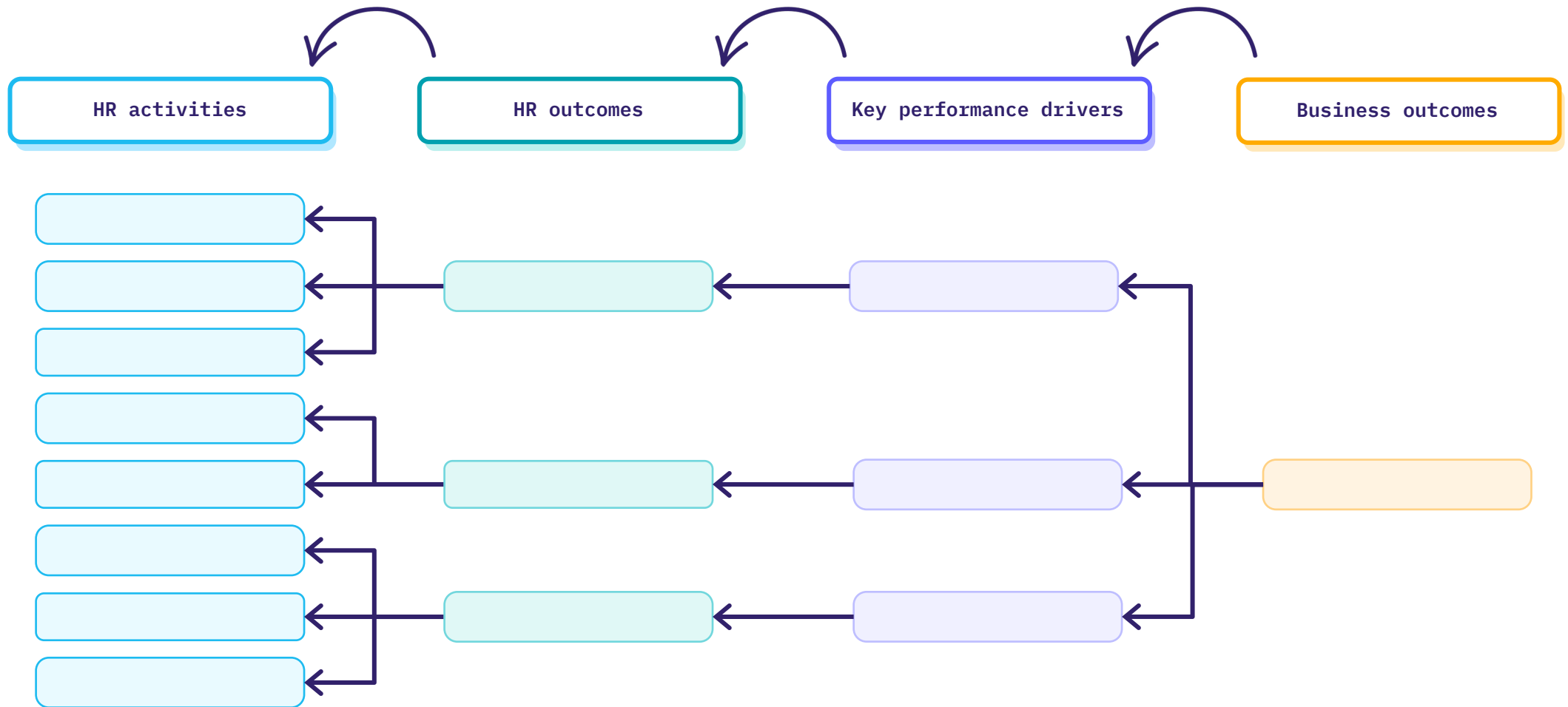
*Template example  
on the next page! →*

# KPI Tree // Example from the Teline case study



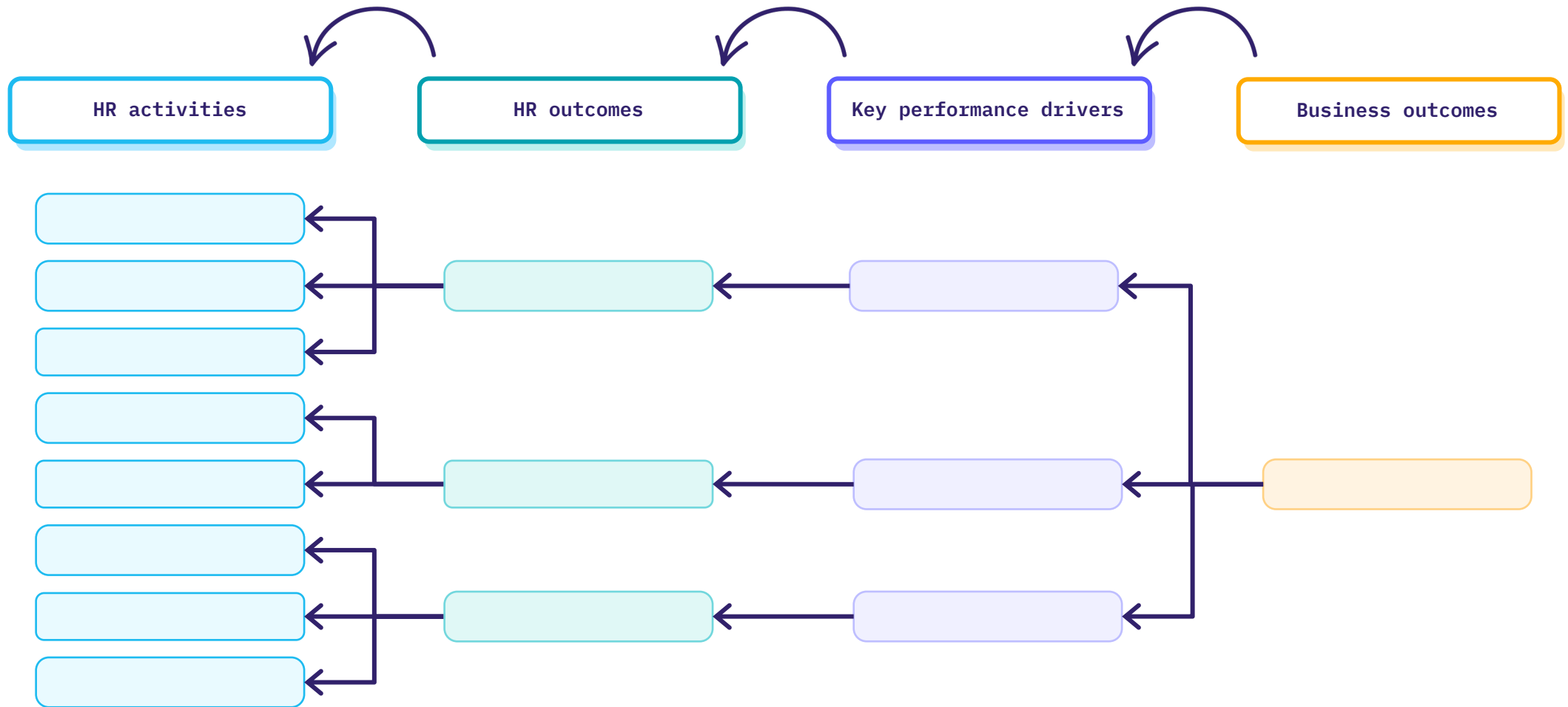
# KPI Tree // Template: Business outcome 1

To create your own KPI tree, choose one business outcome per page. Work backward to identify the key performance drivers that influence it, the HR outcomes that support those drivers, and the HR activities that will achieve them. This helps you clearly connect HR actions to measurable business results.



# KPI Tree // Template: Business outcome 2

To create your own KPI tree, choose one business outcome per page. Work backward to identify the key performance drivers that influence it, the HR outcomes that support those drivers, and the HR activities that will achieve them. This helps you clearly connect HR actions to measurable business results.



# KPI Tree // Template: Business outcome 3

To create your own KPI tree, choose one business outcome per page. Work backward to identify the key performance drivers that influence it, the HR outcomes that support those drivers, and the HR activities that will achieve them. This helps you clearly connect HR actions to measurable business results.

