

A guide to Key Performance Indicators(KPIs) for the Chief Investment Officer

Section 1: Instructions for using the KPI Guide in your Performance Management System

- Identify the relevant KPIs: Depending on your role in the organization, you may want to focus on different KPIs. For example, HR professionals may want to track cost per hire, while managers may be more interested in the time-to-fill metric.
- Determine the time frame: Decide on the time frame for tracking each KPI. For example, you may choose to track the number of qualified technical candidates sourced and engaged per month.
- Collect the data: Collect the necessary data to calculate each KPI. For example, to calculate the candidate acceptance rate, you will need to know the number of job offers accepted and the total number of job offers.
- Calculate the KPIs: Use the formulas provided in the table to calculate each KPI.
- Interpret the results: Once you have calculated the KPIs, interpret the results to evaluate the effectiveness of the performance management system. For example, if the time-to-fill metric is high, it may indicate that the recruitment process needs to be streamlined.
- Use the results to make improvements: Regularly collect the necessary data for each KPI. Keep track of the results over time to monitor performance, identify areas for improvement, and ensure compliance with regulations. Use the insights gained from the KPIs to make improvements to the performance management system. For example, if the candidate satisfaction rate with the recruitment process is low, consider making changes to improve the candidate experience.

Section 2: Key Performance Indicators For Role Chief Investment Officer

KPI	Detailed Description	Formula
Alignment with Financial Targets	This KPI measures the extent to which investment strategies and portfolio management align with the company's financial targets.	Percentage deviation from financial targets
Investment Portfolio Performance	This KPI assesses the performance of the investment portfolio in terms of returns and risk-adjusted measures.	Portfolio return on investment / Risk-adjusted return on investment
Team Performance	This KPI evaluates the performance and productivity of the investment team in achieving investment goals.	Number of successful investments / Total number of investments
Market Trend Analysis	This KPI measures the accuracy and timeliness of market trend analysis conducted by the investment team.	Percentage accuracy of market trend analysis
Risk Mitigation	This KPI assesses the effectiveness of risk mitigation strategies in minimizing investment risks.	Percentage reduction in investment risks
Due Diligence Effectiveness	This KPI evaluates the effectiveness of due diligence processes in identifying and assessing potential investment opportunities.	Number of successful due diligence assessments / Total number of due diligence assessments

Stakeholder Relationship Management	This KPI measures the quality and strength of relationships with key stakeholders, such as investment managers and brokers.	Stakeholder satisfaction rating (scale of 1-5)
Portfolio Monitoring and Reporting	This KPI assesses the timeliness and accuracy of portfolio monitoring and reporting to senior management and the board of directors.	Number of timely and accurate portfolio reports provided
Investment Cost Efficiency	This KPI measures the cost efficiency of investment activities, including transaction costs and management fees.	Investment costs / Total investment value
Risk-Adjusted Performance	This KPI evaluates the performance of the investment portfolio considering the level of risk taken.	(Portfolio return on investment - Risk-free rate) / Portfolio risk