

**Title:** **How to Measure Anything**  
Finding the Value of Intangibles in Business

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**Review** Measurement has come to mean exact quantities and precise numbers, so it's not surprising that so much seems to be un-measurable. These un-measureables take on a whole new appearance when the concept of measurement is broadened. With the broader concept measurement isn't expected to 'eliminate' uncertainty but 'reduce it, it isn't expected to produce 'exact' quantities but 'narrow' a range. The lack of an exact number is not the same as knowing nothing.

Applying this broader measurement concept to critical decisions, where uncertainty simply can't be eliminated completely, ensures that they're better informed and less risky, that innovation moves along and that money isn't frittered away pursuing the wrong things. When stakes are high there's significant monetary value in the most marginal reductions in uncertainty.

Making 'un-measureables' measurable begins with a clear, unambiguous definition of the problem. With that clarity it becomes possible to identify what is known, what information is available, and how others have tackled similar issues. That information lets you estimate the size of the range of uncertainty. Now you have an idea of what you need to know, you can begin setting up, and observing, 'cause and effect' scenarios. As each scenario plays out, the range of uncertainty is adjusted and reduced.

Even the most 'un-measurable' things have an observable impact on something, and that makes observation critical to gathering the information required to shrink the 'range of uncertainty'. Just how to set up, and carry out, 'observations' is the focus of Hubbard's third section. The fourth section presents a collection of measurement solutions and examples of how to measure things like preferences, values, information value, flexibility and quality.

Hubbard's website [www.howtomeasureanything.com](http://www.howtomeasureanything.com) is packed with downloadable spreadsheets, learning aids, examples and discussion boards.

**Golden Nugget** Organizations waste tremendous resources measuring things that don't matter, and ignoring things that do. Measures that are foundational to critical decisions are often the most accessible.