









Key Performance Indicators





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KPI definition



 KPI is a type of performance measurement that helps you understand how your organization or department is performing in relation to your strategic goals and objectives.



- One way to evaluate the relevance of a KPI is to use the SMART criteria. The letters are typically taken to stand for specific, measurable, attainable, relevant, time-bound. In other words:
- Is your objective Specific?
- Can you Measure progress towards that goal?
- Is the goal realistically Attainable?
- How Relevant is the goal to your organization?
- What is the Time-frame for achieving this goal?



Overall Business Strategy

What is the organization trying to accomplishment



Goals and Objectives

What are the short and long-term objectives to achieve strategies



Key Business Objectives

What are the important actionable steps to meet the goals and objectives



Key Performance Indicators

What measures of successes indicators

Supporting Matrix

Steps to build KPI



Measurable Indicators if not, go back step 1 & 2

Make sure that your team

knows how to get the value for indicators and

calculate the

performance

Understand Business context

What are your business goals?

What are the success factors?

What results do you expect to achieve?

Prepare Action Plan/activities

Ask your team a number of "How" and "What" questions to make sure they know how to execute the strategy and achieve business goals

cause-and-effect connected goals, align action plans and KPIs.

Build strategy map with



- Follow these steps when defining a KPI:
- What is your desired outcome/objective/goal?
- Why does this outcome matter?
- How are you going to measure progress through indicators?
- How can you influence the outcome?
- Who is responsible for the business outcome?
- How will you know you've achieved your outcome?
- How often will you review progress towards the outcome?

10 biggest mistake do in KPI



- Not linking KPIs to your strategy
- Measuring everything that is easy to measure
- Not involving senior management in developing indicators
- Not analyzing KPI indicators to extract businessrelevant insights.
- Not challenging and updating KPI indicators

Supporting Matrix



- Dashboard
- Performance calendar
- Matrix table
- Graphs



Critical Success Factor	Key Result Area	Key Performance Indicator
Financial Performance	Cost Revenue	Maintenance cost/unit* ROI (maintenance)
Customer Satisfaction	Quality Service	No. of complaints Value for money Referrals
Process Performance	Equipment performance	OEE**
Employee/Environmental Safety	Health Safety Legal requirements Environment	No. of Accidents No. of HSE complaints Employee complaints
Table 1 Balanced Scorecard approach to maintenance management		