

Storyline

The client is a leading manufacturer of cement in the Middle East. It has five factories spread across the UAE, Bahrain, Bangladesh and Africa with an aggregate grinding capacity in excess of 3 million tones.

NCRCL[®] helped the client streamline its Management Information System (MIS) and lay down Key Performance Indicators with benchmarks. The client now has a robust performance management system aligned to the organizational goals and control needs.

Once upon a time

The reporting system in place in the company was unstructured and did not aid performance monitoring. It was not uniform across all units. In the absence of a good information system, the management found it difficult to take quick decisions to respond to changes in the market. Internal and industry benchmarking was also difficult in the absence of a structured MIS. The employee appraisal system was also not aligned to the organizational goals.

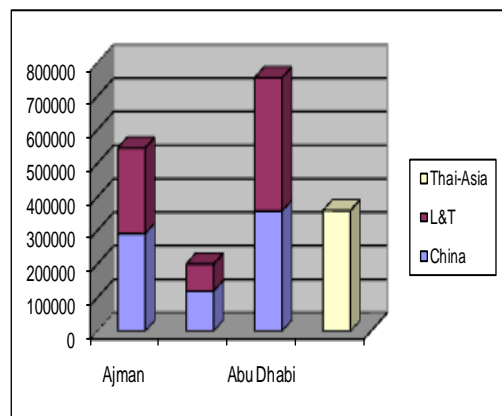
Moving on

The assignment was undertaken in two phases. The **Study Phase** included visiting all the units and interacting with the functional heads to understand the business and the factors governing performance. The study phase culminated in a report to the Management with a roadmap for implementation. The report clearly laid down the Key Result Areas (KRA) and Key Performance Indicators (KPI) for each function and unit. The report went through several rounds of iterations based on discussions with all the stakeholders.

The **Implementation Phase** involved compilation of ground level data, calculation of the KPI, validation, identification of internal and external benchmarks and management reviews with the KPI. An internal MIS cell was created to generate the review formats and follow up on the action points. The MIS cell was given training in compiling and interpreting the KPI for reporting to the Management. The implementation was done unit by unit.

As has been the tradition at NCRCL[®], the endeavour here was to deliver value adds over and above the terms of engagement.

Support was extended beyond the initial project timeline till the internal team was fully comfortable with the system. The team helped the client in implementing a Business Intelligence solution and provided technical inputs for the purpose of integrating the KPI system into SAP ERP.



Finally

The KPI system is fully ingrained in the DNA of the organization. It has made performance reviews structured, faster and more effective. It has brought in a common yardstick for performance measurement across all functions and units. The initial spade work has helped the client to implement SAP ERP effectively. The KPI based review mechanism is successfully running since 2007.

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