

### Structuring of MIS with benchmarks, KRA and KPI

#### Storyline...

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

MaGC® (formerly NCRCL®) helped the client to streamline its Management Information System (MIS) and lay down Key Performance Indicators (KPI) with benchmarks. This has increased organizational control, provided excellent support to achieve corporate goals and also to gain competitive advantage.

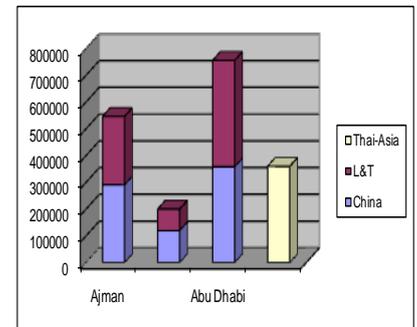
#### Once upon a time...

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 felt 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.

#### 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 KPI for each function and unit. The report was fine tuned after detailed discussions with all the stakeholders.

The **Implementation Phase** involved compiling the ground level data, calculating the KPI, validation, identifying benchmarks both internal and external and actually conducting 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 MaGC 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 incorporating the KPI system into SAP ERP.

#### Finally...

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