

## **LOGISTICS KEY PERFORMANCE INDICATORS IMPLEMENTATION FRAMEWORK**

**TITLE:** LOGISTICS KEY PERFORMANCE INDICATORS FRAMEWORK  
**VERSION** FINAL 1.0  
**AUTHOR:** Chris Man  
**RESTRICTIONS:** FOR INTERNAL USE ONLY  
**VERSION CHANGES:**

<b>VER.</b>	<b>SUMMARY CHANGES</b>	<b>AUTHOR</b>	<b>DATE</b>
<b>0.1</b>	<i>Document Creation</i>	<i>CHRIS</i>	
<i>0.2</i>	<i>Updates</i>	<i>CHRIS</i>	<i>11 Sept 2014</i>
<i>1.0</i>	<i>Final Version</i>	<i>CHRIS</i>	<i>19 Sept 2014</i>

## 1 PURPOSE

The purpose of this document is to define the framework for the Logistics Key Performance Indicators. From **January 2015** a global set of indicators will be start to be measured across SCI. For both the region and centre this will provide a snap-shot of how SCI, globally, is performing in its operations to meet the needs of the beneficiaries. It is **not** a measure of reach or quality of programming, but a measure of our operational quality and efficiency.

As part of the logistics strategic commitment to invest in developing people and systems to build a best-in-class supply chain and logistics system, we need to formalise and provide an analysis of, data that **we are already collecting** in order to both, action ourselves for performance improvement and use as information to allow management to act.

## 2 KEY PERFORMANCE INDICATORS

### 2.1 What is a Key Performance Indicator?

A Key Performance Indicator (KPI) is a measure whose analysis, with references to other indicators, allows you to objectively appraise a phenomenon, a condition, a result, etc.

The aim of the KPI is to allow you to measure your performance and progress towards achieving an objective. **It is not** a measurement simply for the sake of measuring it. The KPI, either on its own or when read in conjunction with other KPIs, **must** inform you of whether things are or are not going well.

**NOTE:** a KPI is **just** an indicator it is not a detailed analysis, it will tell you there is a problem **but it will not** tell you **the why**. *For example, if your car is not working correctly and sounds funny, and if the “engine” indicator on your car lights up, it will tell you that there is something wrong, but you will then need to open the engine **or** read the manual **or** take it to mechanic to identify what the problem is.*

### 2.2 Why do we need them?

- a) To ensure we are providing and improving our logistics service to programmes in line with our Logistics Strategy
- b) To monitor our service performance and indicate whether there are issues, either within Logistics or other departments

## 3 KEY DEADLINE DATES

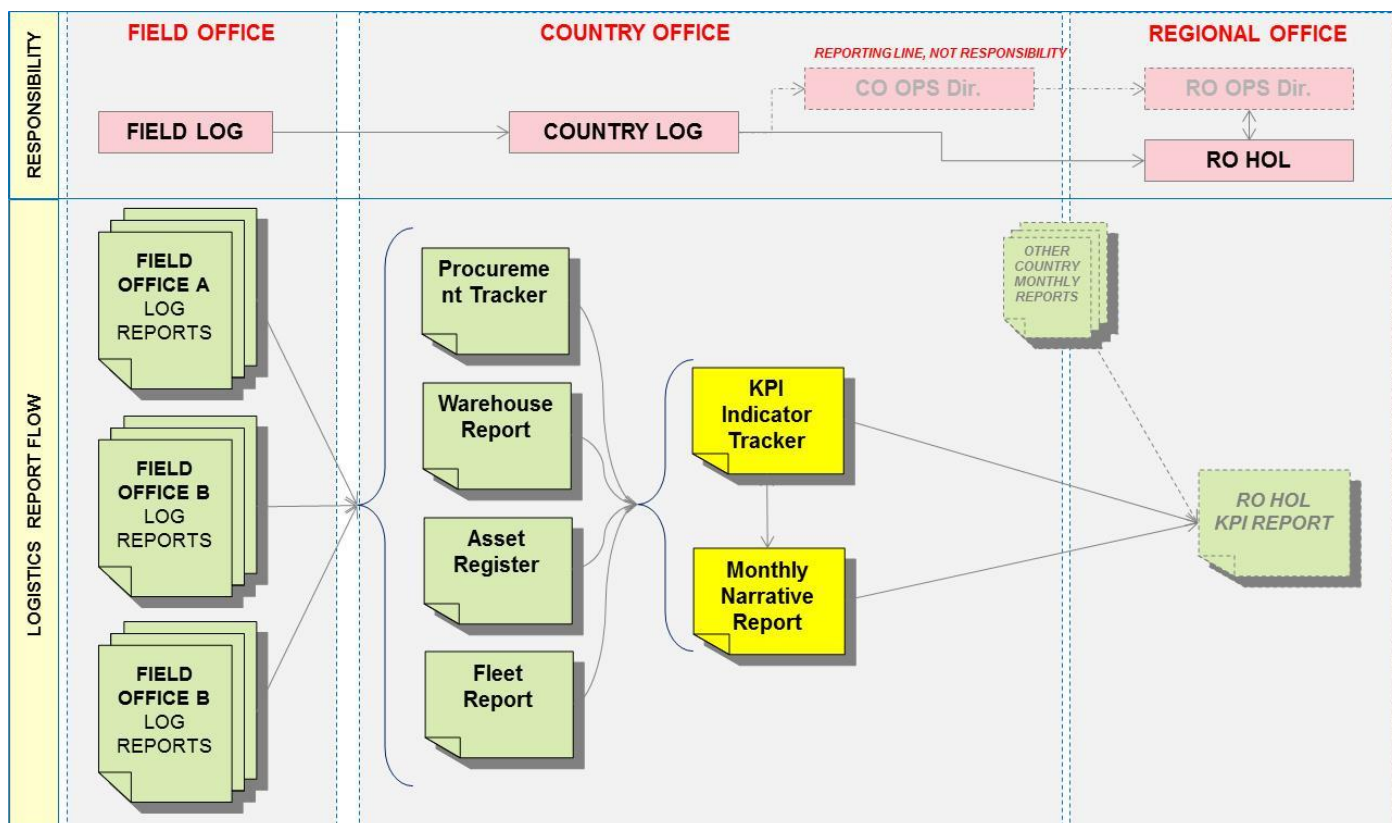
1. **From January 2015** - All Countries will be required to start producing monthly reports (even if just at a CO level)
2. **By April 2015** - All Countries will need to be reporting (even if just at a CO level) regularly on a monthly basis and start implementing reporting across all sites in the county
3. **By September 2015** – All countries will be required to produce monthly reports that cover the **entire** country

## 4 HIGH LEVEL PROCESS AND REPORTS

### 4.1 HIGH LEVEL PROCESS

The KPIs will be calculated from **existing** Logistics tools from data that is already being collected as part of the every-day information and reports by logistics staff

**Note:** It is planned that in the first half of 2015 there will be a global review of the Logistics Tools and Processes. In the event that there are changes or modifications to these tools, we will ensure that they are improved in order to facilitate the measurement of KPIs. In the meantime the existing SCI Tools on OneNet on the [Quality Framework](#) or on the [Logistics page](#) are good enough to gather all the data you need.



The process for monitoring KPIs will be as follows

- 1) Each field office will submit monthly reports **by the 5<sup>th</sup> working day of the month**
- 2) The Country Log Manager will compile and analyse the reports as per current procedures
- 3) The analysis will be compiled in the **KPI Indicator Tracker** and **Monthly Narrative Report**
- 4) The two documents will be submitted to the in-country Director of Operations and cc'd to the Regional Head of Logistics (for information and regional perspective of logs) **by the 10<sup>th</sup> working day of the month**

## 4.2 REPORTS

The KPI Report will (KPI - Logs Reporting Template v1.0) contains two reporting tabs;

- a) **A KPI Tracker Report** –
  - a. an excel table that will allow you collect the KPI results month on month and allow you to analyse performance over time
- b) **A KPI Narrative Report**
  - a. a simple report that will allow you to provide any context, explanations or clarifications regarding the KPI results
  - b. the overview section of the report needs to be completed each month
  - c. while the function sections (Procurement, Warehouse...etc) will only need to be completed **IF** any of your KPIs are **AMBER** or **RED**

Both reports will need to be completed each month

## 5 SUGGESTED IMPLEMENTATION PLAN

### 5.1 HIGH LEVEL TIMELINE

Global IP KPIs will come into full use from the 1<sup>st</sup> January 2015 and operations will be measured against these. In order to ensure that our KPIs are valid and useful it is suggested that each country starts using the report immediately in order that challenges and issues can be fed back to the Region and Centre Logs. It is expected that countries will start trying to complete the reports from October - during this soft-roll out period.



ACTIVITY	TIME FRAME	DESCRIPTION
KPI & Reporting Process Definition	September	Finalisation of narrative report and KPIs, including agreeing any modifications necessary to existing tools
Country Selection and Briefing	September - October	For EARO - To coincide with the EARO Regional Workshop For all other RO – the roll out approach considered most appropriate by the RHOL
Soft Roll Out and Trialling	October – February	A period of time to allow CO to get used to collecting and analysing data
CO Feedback	January – February 2015	An opportunity for COs to formally feedback on the issues around the wording of the indicators, the calculations etc. and provide suggestions for improvement
KPI Update	February - March	Updates following the feedback (if required)
Full Rollout	April 2015 – September 2015	Full “launch” of final version of documents

## 5.2 DATA COLLECTION COMMITMENT

There is, unfortunately no fully automated system **yet** that will allow us to collect all the data we need. While SCI is developing and rolling out software systems for Procurement (P2P), Warehousing (tbc) and beneficiary tracking (software to TBC) – these will not be implemented fully across all countries for a number of years nor will they be fully successful without a change in SCI’s behaviour and culture.

All our KPIs can all be collected from current tools. The KPIs are all primarily reliant **on our current tools being used and completed correctly**. This is the raw data, without which the KPIs cannot be calculated.

In order for the KPIs to be of quality, Country Logistics Managers should

1. Ensure that all their offices are using the same standard trackers as defined OneNet on the [Quality Framework](#) or on the [Logistics page](#)
2. Ensure all the columns in the trackers are fully completed in standard way (i.e. the dates are written in the same way, the drop down boxes are correct)

## 5.3 COUNTRY - SOFT ROLL OUT

**NOTE: During the Soft-Roll out there will be no physical resource support unless already individually discussed and agreed with your regional head of logs.**

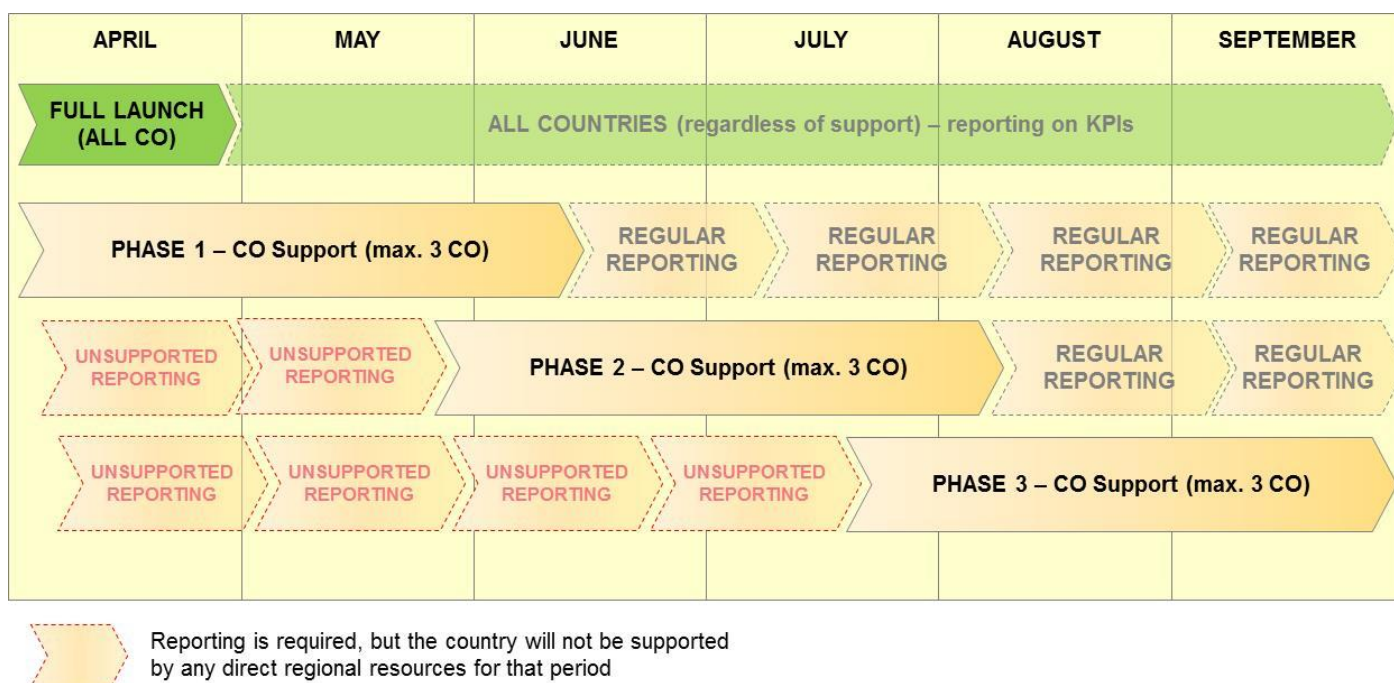
Each country can implement the KPI reporting as they wish however given the complexity it may be most appropriate to start the reporting at CO level before rolling it out to the rest of the country

## 5.4 COUNTRY - FULL ROLL OUT

**NOTE: During the FULL-Roll out physical resource support will be dependent upon region**

Given the number of “difficult” countries within each region combined with the limited number of staff resources to support these, it may be more appropriate to consider the support of into countries in a phased approach. All countries can be given the forms; however Centre, Region and roving logs will only focus on a handful of countries at one time. This will give most countries time to become used to the reporting process whilst easing the pressure on the region to address every country’s questions at the same time.

**NOTE: THE ROVING LOGS ROLE WILL NOT BE “TO IMPLEMENT KPIS IN THEIR ENTIRETY THROUGHOUT YOUR COUNTRY”, BUT TO RESOLVE ANY ISSUES YOU MIGHT HAVE DURING YOUR IMPLEMENTATION AND MAKE ANY NECESSARY CORRECTIONS TO YOUR TOOLS AND PROCESS. Please do not wait for them to come and do your job**



1. Each country is expected to roll out the KPIs in their country and field Offices on their own
2. From the date of Full Launch (currently planned for April 2015) some countries may receive direct support from the region or the centre
3. For those countries that do not receive support (Unsupported Reporting) they will still be required to produce their reports as best they can
4. Remote support will be provided by Centre and Region (contacts to be confirmed) via email or conference calls

## 5.5 CONTACT FOR SUPPORT QUESTIONS

For all questions or clarifications please contact your **Regional Head of Logistics** (or their nominated point of contact for KPIs)

~ END ~