

key performance indicators essay sample

[Finance](#), [Investment](#)



Key Performance Indicators, also known as KPI, help an organization define and measure progress toward organizational goals. Key Performance Indicators (KPI's) are one of the most over-used and little understood terms in business development and management. The role KPI's play is much bigger and more important. In fact, KPI's are one on the most important guideposts for any business. Every business should have them. Once an organization has analyzed its mission, identified all its stakeholders, and defined its goals, it needs a way to measure progress toward those goals. Key Performance Indicators are those measurements. Coca Cola Amatil are committed to improving existing productivity and customer service. Key Performance Indicators (KPI's) have been established to maintain progress toward the achievement of the critical business goals.

Key performance indicators data will be reviewed regularly by the Company and employees to assess achievement of performance targets. Outcome from this review and subsequent changes will form part of the ongoing process of continuous improvement. To this agreement acknowledge that the KPI's sets out below are capable of being achieved. The Company acknowledges that the achievement of some of the KPI's can be affected by external influences and may require the provision of appropriate technology, resources and training in a timely manner. Employees and the Company will actively work toward the achievement of all KPI's.

These are example of Coca Cola Amatil Key Performance Indicators KPI's for both the Refurbishment Centre and Field Service are as follows: KEY

OBJECTIVES

KPI REQUIREMENTS

<https://assignbuster.com/key-performance-indicators-essay-sample/>

REFURBISHMENT CENTRE

Refurbishment Rates

– Vending – 2. 5 per day (excluding steel door venders) – GDM-4. 0perday –

Fountain (Refurbishment time)

6. 6 hours per unit

4. 0 hours per countertop 3. 2 hours per tower

2. 0 hours per gun

Quality Refurbishment

– Less than 3% of equipment refurbished to require a service call within 7 days. OH&S

– Conform to all OH&S requirements.

– Ensure your safety and the safety of those around you Is not compromised.

– Lost time injury days to be less than previous year.

– Ensure work area is free from loose or dangerous object

Security and housekeeping

– Ensure work area is secure and tools are locked away when not in use. –

Work area to be cleaned daily.

Administration

– All costing sheets are accurate & complete and account for all parts issued and used. – All unused parts to be returned to the store.

FIELD SERVICE & FCB

Productivity Rates –

– Service call costs to be < \$74. 17 GDM and \$111. 72 Fountain & \$207. 21 for FCB Call backs / Effective service

– Reduce the incidence of repeat calls to customer premises To a level below

15% for GDMs and less than 18% for fountain equipment & 15% for FCB.

Service Response Times

- 70% of all service calls allocated are to be completed within 24 hours. - 80% of all service calls affecting the dispensing of a quality product to be completed within 24 hours. Preventative Maintenances

- Completion of 3072 preventative maintenances by the FS team on CDE. (192 per person per year) - Completion of scheduled FCB PM's.

Cost effectiveness

- Completion of 25 Fountain Installations and 20 refrigeration deck repairs by FS team per year. Spare Parts Management
- Cost correct information into the PDT's/Hand Held Terminals at completion of service call. - Less than 5% variance at cycle counts.

OH&S

- Conform to all OH&S requirements.
- Ensure your safety and the safety of those around you is not compromised.
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Lost time injury days to be less than previous year.

Coca-Cola Amatil ACTION PLAN: 2011-2016

Key Financial Objectives

Sustainably driving shareholder value creation through

▲ Earnings – achieving the right balance between price, volume, mix and efficiency gains to deliver sustainable shareholder returns ▲ Dividends – rewarding shareholders along the way with ordinary dividend payout ratio between 70-80% of earnings Disciplined investment supporting growth

objectives – delivering returns well above cost of capital, supporting innovation and productivity gains as well as increasing capacity and competitive advantages

Maintain balance sheet strength and ability to fund investment to develop growth opportunities Conservative debt level and maturity profile supporting A3/A- credit ratings. Debt maturities fully funded to mid 2015 Capital investment of ~\$410m in 2013, with an expectation of reducing capital investment to \$325-\$350m in 2014 and 2015 Disciplined allocation of Group capital – investment returns remain well above cost of capital – ROCE maintained > 20%

Tool Used:

Average distribution center supports by 16 Coke delivery trucks for 50, 000 orders per day. But for narrow roads it required smaller trucks, about over 1300 trucks deliver directly to customers every 6 days a week for 41 deliveries per day.

With our 5-year plan to modernize our logistics network is improving customer service realizing significant cost savings. We modernize and expand plant warehouses to handle increasing range of one way pack products: Improved utilization of space and reduced losses Create large regional distribution centers delivering to cross dock points: Less stock points result in reduced cost and inventory Use of dynamic routing software to optimize deliveries: Costs Efficient utilization of fleet and time Modernize

haulage and delivery fleet: Larger trucks, palletized loads result in lower cost per case

We have invested AUD \$400 million to more than double our total capacity since 2010. In 2013 we expanded into new product categories, adding water and dairy capacity. Recently we also installed PET blow-fill lines offer us flexibility to meet changing consumer demand flexibility to produce CSD, Hotfill and water all on the same production line and we have installed world-class equipment in every plant. We also recruiting Highly skilled, motivated workforce, In excess of 120 new employees recruited from All degree / diploma qualified. In result our manufacturing platform is now an enabler for Innovation.