

## **Role of Key Performance Indicators and Benchmarking in Higher Education**

Key performance indicators (KPIs) denote a set of quantifiable measurements applied to measure an institution's overall long-term performance. They especially aid determine an institution's strategic, economic, and operational attainments, particularly compared to other institutions within a similar sector. In higher education, KPI's can be utilized to determine modifications within the university or compare with a cluster of peer universities. KPIs are the guide for decision-making for universities. The use of KPIs in Higher Education Institutions (HEIs) include (i) Aid HEIs to measure and track their progress on specific business objectives, (ii) Help HEIs to monitor and evaluate their performance, and direct their policy formulation and target setting, (iii) Facilitate institutional evaluation process, (iv) Provide information for accreditation bodies, and (v) Provide information for the state seeking transparency and accountability. KPIs are two types viz. (i) number-based KPI which originate from numbers already available in HEI, and (ii) opinion-based KPI, which are measured through customer satisfaction survey tools.

Before creating the KPIs for an academic program, an institution should consider the following key points (i) Determine clear strategic objectives, (ii) Define the criteria for success, and (iii) Investigate the availability and accuracy of data, (iv) Build the KPI formula, and (v) Decide the effective communication the KPI. Besides, HEIs should translate the obtained data to comprehensible visuals like graphs and charts to effectively Communicate the KPI findings. Further, the communication can be carried out through reports/presentations/dashboards. Such communication needs to have transparency.

Following creating the KPIs, the institution should benchmark its performance. Benchmarking has been described as a "continuing, logical process for assessing and comparing the

organizational processes of one institution with others for recognizing best practices leading to progress in processes and consumer service. Benchmarking in higher education is significant and can be applied to enhance organizational processes and instructional models at HEIs by probing processes and models at other HEIs and following their systems and practices. It will aid to control opposition to change, offer a structure for external assessment, and develop fresh webs of communication among HEIs where sharing valued info and practices on teaching and research is possible. The steps to benchmark an institution's performance include (i) Choose performance measures to benchmark, (ii) Determine the institution that one wants to benchmark, (iii) Compare against other institutional data, (iv) Use the results to improve. Three criteria for selecting an external institution are a) Infrastructure mandatory for programs across KSA are comparable, b) KPI data requisite by the accreditation body are obtainable, and c) "Good practice" to pursue continuous quality improvement is striking and can be implemented.

Moreover, each KPI in higher education has five benchmarking levels viz. Actual benchmark, Target benchmark, Internal benchmark, External benchmark, and New Target benchmark. In these levels, the target benchmark should be fixed or revised based on the previous years' data, HEI's strategic priorities, the consensus of a steering committee, and external benchmark. Following the analysis and benchmarking, the institution should use a standard template for reporting KPIs and benchmarking and developing an action plan for recommendations following KPI analysis.