

Why do Higher Education Institutions need Key Performance Indicators (KPI)?

A KPI is a set of quantifiable measures that a Higher Education Institution (HEI) uses to gauge or compare performance in terms of meeting its strategic and operational goals. KPIs vary between HEIs, depending on their priorities or performance criteria. So, the administrators of HEI should be cautious to directly link it to the overall goals of the respective HEI. It has to be designed in such a way to define and track specific HEI goals and objectives. Once an HEI has analysed its mission, identified all its stakeholders, and set its goals, it needs a way to measure progress toward those goals. One such method is through KPIs, which are utilized to track or measure actual performance against key success factors.

Types of KPIs

- **Process KPIs** – It measures the efficiency or productivity of an HEI's process. Example – time taken to complete an academic admission process.
- **Input KPIs** – It measures assets and resources invested in or used to generate HEIs business results. Examples – Amount of money spent on research and development, Funding for employee training, and the Quality of materials used.
- **Output KPIs** - measure the financial and nonfinancial results of HEIs' business activities. Examples – Revenues generated by the University (Self Income), Number of graduates produced per academic year.
- **Leading KPI** measure activities that have a significant effect on future performance. Drive the performance of the outcome measure, being a predictor of success or failure

Benefits of using KPIs for HEIs

- It is used to measure the performance to make the decision-making process more manageable.
- It helps HEI to understand how well they are performing in relation to their strategic goals and objectives.
- KPIs are used by an HEI to evaluate its success or the success of a particular activity within the organization.
- It helps to analyse the operational details of the HEI.
- KPIs are used periodically to assess the performances of HEIs, its Programs, and their division, departments, and employees.