

KEY PERFORMANCE INDICATORS FOR PUNJAB STATE WAREHOUSING CORPORATION

Introduction

Performance management is a broad concept that involves understanding and acting on the performance issues at each level of organization i.e. from individuals/teams/departments to the organization itself. Punjab State Warehousing Corporation is purely a Commercial Organization. At present except Annual Appraisal of individual employee, there is no set system in the organization to vouch for the performance of PSWC employees and staff based upon operational attributes. These issues include leadership, decision making, motivation, encouraging innovation and meeting organizational role.

Far-reaching changes in the global economy have made it imperative for the governments all over the world to improve the quality of their governance structures. The Government of India has also introduced the New Public Management concepts in public administration with emphasis on 'results' or 'performance' to improve the efficiency and effectiveness of public services. However, it is time to move from measurement of input usage for programs and appraisal of process compliance to assessment of outcomes and impacts through a well designed system of 'performance management'.

2. Performance Management: The Concepts

- Performance refers to the ability to acquire resources and put these to efficient (input-output relationship) and effective (output- outcome relationship) use to achieve the desired outcomes and impacts.
- 'Performance measurement' tracks processes as efficiency, productivity, effectiveness or cost effectiveness. It also involves the design of balanced and well calibrated key performance indicators, supported by a good Management Information System.

- Performance management' is a broad system of defining and measuring performance, besides developing incentives for individuals and organizations. It touches the processes of planning, implementing, reviewing, evaluating and reporting to gauge the impact of policies and programmes. It promotes growth and learning, and recognizes that capacity building and improvement in individual performance leads to better achievement of organizational goals. The precise definition of performance management given by the Second Administrative Reforms Commission is as follows.

“Performance management is the systematic process by which the organization involves its employees, as individuals and members of a group, in improving organizational effectiveness in the accomplishment of organizational mission and goals”.

- 3. Performance parameters in PSWC:** PSWC is involved in multi-operational activities like procurement, transportation, storage and preservation foodgrains worth crores of rupees. The operational activities being administered centrally by PSWC HQs and in the field by District Offices, sub-Centers and finally at the complexes. PSWC has to position all the infrastructures in position well before on set of every Kharif and Rabi Procurement season which involves procurement of gunny bales, wooden crates, covers, Nylon nets, Chemicals etc. At district office level, the DM is to ensure that all arrangements like appointment of Labour contractors, Transportation Contractors, posting of staff etc are made well in time for smooth procurement of wheat and rice. Financial arrangement and Engineering infrastructures are other two challenging operations to ensure procurement and proper preservation of foodgrain in storage. Human resource management has its own importance.

Thus to evaluate each activity as explained above, there is a need in PSWC to introduce some Management Performance system so that each operation is carried out efficiently to bring over all operational efficiency in the organization. A point system to regularly measure performance parameter to be placed in PSWC.

4. **Formation of committee:** Keeping in view the need to bring more professionalism in PSWC, the Management constituted a committee of officer consisting of Sh. SS Bhatia, General Manager(QC/Vig), Sh. Amandeep Singh, DGM(P&S), Sh. Gurpreet Inder Singh Dhillon, Chief Manager(Estt) and Smt Pallavi Chhabra, Manager (Stg) for analysing similar practices and recommending Key Performance Indicators (**KPI**) in PSWC. Accordingly, the committee conducted in deep study of existing KPIs in other organizations. In the process, the Committee consulted each Branch officers, some District Managers and the representatives of staff union and conducted various rounds of discussions regarding appropriate KPIs.
5. **Officers and staff covered under KPI:** After due celebrations among the committee members and other stake holders, it was decided that the KPI cannot be made applicable in each cadre of the Corporation and initially the same may be started with all the Branch Managers working in HQs like DGM(P&S), DGM(Comm), Chief Manager Estt, Chief Manager(Engg), Chief Manager (Fin), Manager(QC), Manager(Vig), Manger(Storage), Chief Technical officer, Legal Advisor. From the field offices, the post of District Managers, Technical officers, Warehouse Manager, Accountant, SDO and Technical Assistant were selected for KPIs as they deal with core operation of PSWC.
6. **Attributes covered under KPI:** The Committee observed that KPIs can only be formulated based upon the measurable attributes concerning to each selected designation. Thus after intensive study by the committee, only those attributes were taken in to consideration based upon which the periodical performance of any officer/ official can be easily adjudged
7. **Scope of Applicability of KPI:** During prolonged deliberation among committee members, management and other branch and field officers, the committee observed that these KPIs to start with may not be associated or used for assessing the Annual Performance Appraisal but may be used for judging the overall periodical performance / contribution demonstrated by the officers/ staff covered under the KPI. These KPIs shall guide PSWC Management in keeping the track of performance of each team/staff associated with the core activities.
8. **Period of implementation:** The committee recommends that these KPIs may be implemented initially for a period of 1 year commencing from 2021

and thereafter the these may be reviewed based upon its utility if needed. The scope of KPI could further be linked with Annual Performance Appraisal of the staff and officers and also more cadres could be covered under the system in future .

9. **Formation of KPI:** The Committee have formulated the KPIs which are placed in the Annexure attached for consideration and approval.
10. **Interpretation:** Any interpretation, clarification with regard to the KPIs will be dealt with by the appointed committee. The committee will place its recommendations to the MD/ PSWC for final decision.

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