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KPI for the back office in large industrial enterprises (Company A, Company B and Company C as an example)

Thesis submitted for the degree of Bachelor in

6B04106 Management 6B04102 Economics

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Astana, 2023

Table of contents

Introduction

As the business landscape keeps evolving, many challenges confront large industrial firms' optimization efforts as they seek both competitiveness and achievement of organizational goals. One crucial aspect determining success in these firms is efficient back office management. The back office comprises administrative and support services that promote operational efficiency pivotal to overall productivity. Key Performance Indicators (KPIs) are critical tools needed in effective back-office management.

KPIs include measurable metrics tracking progress towards specified objectives providing valuable insights into departmental performances that highlight areas needing improvement backed up by data-driven decisions taken by large industrial organizations. Implementing custom-made KPIs tailored for each department within the back office significantly enhances operational efficiency, streamlines processes while encouraging overall business growth aligned with strategic objectives.

When selecting KPIs for back office functions, an organization must ensure they align with its overall goals and Smart Principles Specific-Measurable-Achievable-Relevant-Time-bound. For instance, Finance Department may focus on Cash Flow Management Accounts Payable/Receivable turnover cost reduction budget adherence while in human resources, focus may be employee retention training & development recruitment effectiveness & performance appraisal outcomes.

Organizations use the well-known SMART approach widely in establishing smart Key Performance Indicators (KPIs) which are Specific, Measurable, Achievable, Relevant and Time bound performance based frameworks for effective monitoring of results continuously. The specificity component aims at having clear KPIs clearly focused on particular areas avoiding confusion in our organizations globally. It is necessary to set S.M.A.R.T objectives for sustainable development like 'Increase sales revenue by 10% within the next quarter' instead of 'increase.' Measurability emphasizes setting measurable goals that enable businesses to assess progress efficiently, defining measurable targets against which performance is measured ensures business productivity and effectiveness while understanding whether KPIs are on target.

For example, maintaining a customer satisfaction score of 90% or above based on quarterly surveys can be a KPI related to customer satisfaction. Achievability strives towards attainable and conclusive KPIs achievable using the given resources, capabilities, and constraints within an organization unrealistic or delusional objectives must be more of a challenge than potential risk within an organization's goals. Relevance highlights selecting relevant KPIs that directly contribute towards achieving organizational success set priorities at different stages of an organization's strategy. Employee involvement during the identification stage can lead to improved employee morale with targeted objectives like "Reducing average bug resolution time by 20% to improve product quality and customer satisfaction. "

Time boundedness emphasizes timely results' delivery and focuses on setting specific periods within which depending on set periodicity parameters such as monthly or quarterly reviews businesses must meet their objectives effectively. For maximum performance results, it's vital to define both Key Performance Indicators (KPIs) and their timescales precisely. By doing so, you make clear what actions are urgent and evaluate whether they've been successfully achieved at specific intervals along the way. Goals without deadlines often extend themselves past any feasible outcomes or prove challenging to measure progress over time objectively. Therefore, towards these ends, establishing critical benchmarks along given timelines ensures success with limited ambiguity as per implementing our new employee-training program within six months' time for skill enrichment and overall productivity boost.

Effective monitoring of KPI best practices for large industrial firms requires establishing appropriate data collection mechanisms regularly analyzed in real-time. Addressing inefficiencies or bottlenecks using proactive measures based on well-planned programs ensures productivity is maintained while issues are quickly tackled head-on leveraging critical insights provided by trends visible in real-time reports.

Exploring key performance indicators (KPIs) in depth can provide significant benefits when assessing business performance across departments. Let’s delve into specific KPIs that are commonly used in Back Office tasks, their significance, utility and implications for improvement. Financial KPIs such as Cost-to-Income Ratio, help teams to compare total operating costs to revenue generated thus indicating the effectiveness of cost-cutting initiatives considering underperforming areas. Accounts Payable Turnover measures supplier payment timelines thus enabling better due diligence leading to an efficient cash flow management system. This enhances healthy relationships through fulfillment obligations with vendors for a more efficient business operation. Invoice processing time directly helps identify process optimization opportunities and account payable efficiency by tracking time spent on invoices processing. Human resources KPI determines the overall satisfaction of employees towards essential job elements such as training, workplace culture, and wages. The employee turnover rate serves as a critical tool

that tracks employee retention versus those that leave within a stipulated period (if high this may indicate dissatisfaction in several aspects). Resource allocation is essential in every organization hence, the Training and Development budget percentage is allocated for skills improvement fostering productivity. Sourcing new employees with desired qualifications can take some time therefore, Time to Fill Open Positions can provide insights into delays regarding recruitment processes. Procurement and supply chain KPIs help improve efficiency across procurement activities enhancing inventory management techniques resulting from better stakeholder relationships. The supplier performance rating metric enables managing suppliers based on delivery time, product/service quality and responsiveness criteria promoting healthy supplier relations made by consistent overseeing while encouraging continuous improvements. Inventory turnover can determine how fast stock is sold or used enhancing levels of stocking consistently thus avoiding stock outs or excess inventory.Order Fulfillment Cycle Time does provide insights into customer consumer satisfaction regarding product/services ordering time to completion processing times. Boosting efficiency in order processing and fulfillment can be achieved through shortening cycle times. To ensure optimal customer satisfaction rates are maintained over time, measuring them via key performance indicators (KPIs) must be implemented within company practices. These metrics help assess how effective customers support processes are operating by identifying particular areas that need improvements. One prime example of a customer support KPI is the Customer Satisfaction Score (CSAT), evaluated based on post-purchase surveys or feedback provided by customers themselves. Measuring First Call Resolution Rate is also critical: it means evaluating the success rate of solving customers' queries on their very first interaction with support agents indicating proficiency in problem-solving skills along with care for tackling problems from a customer-centric point of view. Similarly measuring Average Response Time helps evaluate performance under certain stringent parameters related to promptness when addressing concerns that customers share

with businesses rendering services that they're not satisfied with. Large industrial enterprises can optimize their back office functions by implementing such relevant KPIs. Performance is better monitored, early detection of issues is possible, data-driven decision-making becomes feasible, and continuous improvement the order of the day.

Key Performance Indicators (KPIs) present significant benefits for managing the back office functions of large industrial enterprises. However, their successful implementation can face certain challenges. In this section we will discuss some common challenges and provide strategies to overcome them ensuring effective utilization of KPIs. Challenges in Implementing KPIs:

One primary challenge is accessing accurate and reliable data to measure KPIs in the back office. Data may be scattered across various systems making it difficult to consolidate and analyze. To address this issue enterprise should invest in integrated systems and data management tools that streamline data collection, storage, and reporting processes. Additionally, implementing data governance practices ensures data accuracy, completeness, and consistency. Choosing meaningful KPIs that align with the back office's goals and objectives can be another challenge. To overcome this issue involves relevant stakeholders from different departments in the KPI selection process. This collaborative approach helps identify key areas of focus while ensuring that chosen KPIs are relevant, measurable and actionable.

Resistance to change from employees who fear that performance measurement could lead to increased scrutiny or job insecurity can also pose a challenge when introducing KPIs. It is vital to address these concerns by communicating transparently about the purpose and benefits of KPIs and emphasizing they are meant to identify areas for improvement fully.

Monitoring and analyzing KPI data can be overwhelming particularly in large industrial enterprises with vast amounts of data but leveraging business intelligence tools provides real time dashboards thus helping immensely. Regular review meetings facilitate data driven decision making while performance discussions ensure that KPI s remain top of mind always. By employing these strategies and investing in integrated systems & management tools for streamlining processes- thereby simplifying deployment- soliciting input from relevant stakeholders regarding meaningful agnostic aligned outcomes- thus ensuring accuracy & alignment- Communication rationale transparently around their introduction -alleviating their misinterpretation with reviews and Automated reporting dashboards/reminders streamline the KPI adoption process. Aligning Goals through Cascading KPI Implementation: Aligning Key Performance Indicators (KPI's) at back-end level with organizational objectives is pivotal for an enterprise's success. Cascading down from key business initiatives all through individual teams, such implementation leads to optimum use of resources while ensuring that employees understand individual contributions towards collective goals.

Continuous Process Improvement: An understanding that KPI's evolve with dynamic business conditions is crucial so that regular re-imagining can ensure meaningful metrics composition effectively monitoring organizational goals achievement Employee engagement becomes key in it reaching key actionable insights on process improvements thereby adding value to organizations bottom line. The ability to not just innovate furthermore drive adaptability whilst being mindful fine tuning operational processes remains paramount in ensuring sustainable growth within one's portfolio.

So to conclude the introduction, in theory KPI as it is present in classical view of overachievement should work, but does it in reality and according to authors of the past?

Literature review

Experts who have studied Key Performance Indicators (KPIs) as tools organizations can utilize to gauge their back offices' efficiency and effectiveness. In his recent research, Parmenter (2015), KPIs are defined as quantifiable measurements that correspond with organizations' essential success factors that are established in advance. When viewed operationally, KPIs serve fundamental purposes such as providing concrete objectives, setting objective basic performance standards and detection of areas requiring improvements. Back-office operations traditionally comprise considerably repetitive tasks with high-level measurability such as managing inventory or processing invoices. Eckles (1991) states that integrating KPIs is crucial in promoting efficient performance of these operations in large industrial enterprises. To stay competitive today, companies must employ a suitable model of the set and evaluation of KPIs according to Neely et al.'s 2005 study. Back-office services typically consume substantial amounts of company resources. Accordingly, appropriate indicators help businesses reduce costs while enhancing service levels and overall organizational performance (Neely et al., 2005).

Furthermore, Bititci et al. (2012) explain that when selecting specific indicator models for monitoring organizational efficiency from back office operations should align with the organization's strategic goals. Kaplan and Norton's balanced scorecard approach suggests a need to consider issues beyond financial metrics alone affecting back office operational performance. Hence other factors such as customer satisfaction metrics', internal process efficiency levels, learning/growth rates need incorporation along with traditional financial measures indicators when determining appropriate KPI choices for back-office functions.

It bears noting Behn's studies emphasize particular organization characteristics like its size or industry sector strategy applying an array of variables that can affect selecting

appropriate indicator models for monitoring organizational efficiency regardless of case assessed. It is important to understand that there cannot be a universal set of KPIs for the back office operations in large industrial enterprises.

In a study conducted by Kaplan & Norton (2001) a balanced scorecard approach was adopted that encompassed financial metrics, customer centric parameters and process related measurements along with learning/growth based criteria. Cost per invoice in accounts payable or inventory turnover ratio in inventory management are great examples of these KPIs that provide insight into operational and financial efficiency. Bourne et al. (2003)s research gives context on essential matters like identifying bottlenecks through an elaborately mixed system run by diverse sets of KPIs while helping organizations obtain quantifiable insights into services' finer nuances. This leads towards better informed decision making processes resulting in improved output yield.

Delpachitra & Beal (2002) initiative was to use KPIs in increasing service quality based on error rates, turnaround time, and customer satisfaction scores. This approach provides insights on areas that can be reshaped for more efficient workflow improving business outcome. Staff engagement is a factor Smith & Goddard (2002) deems imperative to reap the benefits of selecting relevant KPIs while implementing them. Engaging the team will foster an environment of continuous improvement towards achieving better back office performance.

Echoing sentiments from previous studies, Franco Santos et al.s (2007) study underlines the pitfalls of poorly implemented KPI systems such as over reliance on specific metrics or lacking alignment with organizational goals could result in counterproductive behaviors or unintended negative outcomes. To guarantee success, it is crucial to make prudent decisions when selecting applicable KPIs, ensure their proper implementation and conduct systematic reviews.

Hypothesis

One argument posits that using conventional key performance indicators (KPIs) designed for other areas may fail to measure accurately or reflect back-office functions' value creation. While administrative elements such as finance, human resources, and operations play vital roles for overall organizational success, the nature of work performed here varies significantly from customer-facing/revenue-generating activities rendering traditional KPI metrics ineffective.

One possible explanation is that classical KPIs like sales revenue, customer satisfaction ratings or market share lack direct applicability to delineate unique characteristics associated with back-office functions. Additionally, the heavy reliance on quantitative measures by traditional KPIs might overlook qualitative aspects deeply ingrained in the decision-making process and relationship management involved given the complex processes undertaken.

Furthermore, alignment inconsistencies between classical KPIs and the specific goals and objectives of back-office functions can result in performance evaluation disparities. Back-Office work focuses more on efficiency, accuracy, compliance rules with internal stakeholder interdependence requiring different yardsticks to those adopted by customer-focused departments.

Lastly, changes to organizational dynamics driven by trends like technology automation's rapid advancements may result in irrelevant classical KPI metrics in the back office hence highlighting inadequacy concerning evolving roles within a dynamic working environment.

To test these hypotheses effectively requires empirical research coupled with data analysis comparing traditional KPI metrics using alternative or tailored solutions customized to meet different department peculiarities within an organization. By

conducting interviews with back office professionals and managers as well as analyzing relevant case studies and survey data we can gain valuable information relating to specific challenges faced within this field. This insight is vital in understanding how best to navigate the complex landscape presented by this area of business.

Data

The first part of analysis and dataset is about the KPI setting goals by the firms and our analysis of them by dividing them into classical KPIs and the other rather deadline and formal KPIs.

This section features key data-related insights on "KPIs for the back office in large industrial enterprises." Our primary objective is to provide an overview by collecting relevant information from multiple industrial organizations globally. The data gathered also indicates how effective and pertinent classical KPIs are to assess back-office functions' performance.

Two types of KPIs are commonly used to evaluate such performance-Improvement/Classical and Deadline Completion indicators. The former covers aspects like process efficiency, quality control, cost management, and customer service levels while assessing progress towards specified targets. The latter specifically focuses on task/project completion using set timelines exclusively within back-office functions only.

It's important to note that each company assigns its unique number of indicators depending entirely upon their strategic objectives with variances across individual departments too. Typically, these numerical values reflect the relative level of importance accorded to improving evaluations for optimizing activities undertaken within the back office.

Finally, measuring the overall weight given to classical KPIs is vital precedence when assessing performance indices as it determines their relative relevance concerning ongoing evolution within specific roles or departments under evaluation. Comparisons among companies globally can be readily made as well. By examining the variations in KPI assignments and weights, one can effectively recognize trends, patterns, and possible avenues for enhancing back-office performance evaluations.

Second part was about the data collection process from 9 employees from 3 that were interviewed later on from companies A, B and C. The information presented here is based on a survey that involved nine individuals with three participants each from companies A, B, and C. These participants were asked a series of yes/no questions about the relevance of classical Key Performance Indicators (KPIs) in the back office. It's important to note that questions 7, 10 and 11 elicited "yes" responses that indicated a negative attitude towards classical KPIs - meaning they were perceived as irrelevant. The aim of this data was to provide insights into the attitudes and perspectives of back office professionals and managers towards classical KPIs in large industrial enterprises.

There were several key questions asked in the survey about how well traditional KPIs are suited for measuring performance in back office functions. For example: are these KPIs directly applicable? Can they adequately measure unique characteristics? Are quantitative metrics sufficient to assess qualitative aspects? Are goals aligned with the classical KPIs used in the organization? Does it consider specific requirements like efficiency, accuracy, compliance, and internal stakeholder support? Does it reflect evolving work dynamics?

Finally, there was also discussion on whether alternative or tailored performance measures might be more effective than classical KPIs. Participants responded negatively towards this idea - indicating that classical measures remain valuable despite any

limitations identified by this study. Lastly there was brief consideration given to adaptability of these measures for unique needs and objectives within different back office functions. May we know if those engaged in back-office work believe that using traditional KPIs offers an accurate representation of their performance and contribution within the company? Are there any obstacles or constraints attached to applying these traditional KPI systems when assessing how this sector performs overall?" Additionally, what qualitative methods could provide us with enhanced insight into how well this part of our business operates considering its primary goals/ objectives? Furthermore, do we update traditional KPI guidelines regularly so they reflect new priorities & needs from those working within this sector?

Our research has revealed consistently negative leaning attitudes amongst managers/ professionals who operate within our company's back office regarding traditional key process indicators (or abbreviated as "KPI")—particularly evidenced by questions 7, 10, & 11.

Their contrasting positions were acknowledged when interpreting the relevance of KIPs in the context of how back-office functions work. These results suggest that managers/professionals acknowledge issues, restrictions and the requirement for personalized performance measurements which consider their unique contributions to the company and its goals.

While we lack narrow data on positive/negative response rates from our surveys, our theory regarding irrelevance of traditional KPIs in evaluating back-end functionality within larger industrial enterprises is supported by marked negative attitudes noted in Q.7,10, &11 from those surveyed for this study

Research methodology

The utilization of classical Key Performance Indicators (KPIs) in the back office operations of large industrial enterprises is a highly discussed and relevant topic. The purpose of this study is to investigate the perceptions and opinions of back office professionals and managers regarding classical KPIs. Additionally, we aim to determine the significance assigned to these KPIs in the evaluation of back office performance by analyzing survey data and weight distribution data. This research seeks to provide insights into the effectiveness and relevance of classical KPIs within the context of back office practices.

Objectives:

1. To assess the attitudes and viewpoints of back office professionals and managers towards classical KPIs:

In order to achieve this objective, we will conduct a survey asking yes/no questions about the importance of classical KPIs concerning different aspects of back office functions. By analyzing responses, we hope to discover common perspectives regarding classical KPIs as well as uncover any critical or negative views. 2. To evaluate the weight assigned to classical KPIs in assessing back office performance:

This objective involves analyzing weight distribution data from selected large industrial enterprises regarding their use of classical KPIs in their respective back office operations. The assigned weight describes how important these KPIs are perceived within evaluations for performance purposes. By studying patterns across various companies and departments we intend on obtaining a better understanding regarding how relevant classical KPIs are when evaluating performance for back office operations.

Data Collection:

We will be collecting information from surveys taken by employees who work specifically within the related field - these professionals will include both managers and other staff members at large industrial enterprises studied within our main examination. The yes/no questions on said survey relate directly to whether or not they deem specific Classical KPIS relevant in various aspects pertaining primarily to everyday routines associated with Back Offices / Admin tasks respectfully.

Data Analysis:

Quantitative means will be employed during analytical processes conducted on survey results. Through analyzing frequencies occurring in survey responses we aim to determine common attitudes towards Classical KPIs with specific attention paid to the questions that answered "Yes." Additionally, we will conduct descriptive statistics on weight distribution of Classical KPIs to assess relevance when forming a framework for evaluation within the back office practice as a whole. This research sets out to analyze classical KPI weighting paradigms used for evaluating back-office performance within various organizations by department-type or company-specific parameters accurately.

It does so with full awareness of ethical concerns guided by strict protocols upholding participant privacy protection during surveys via informed consent mechanisms with anonymized data collection.

However, promising our efforts may seem, currently there are limitational challenges implied within our methodology when it comes down to specifically narrowed sample sizes we can include coupled with restrictions only allowing us access those who provide voluntary answers which might skew results or miss key nuances from important target groups resembling ours but not surveyed directly.

Proper examination techniques must be employed for survey responses obtained from large industrial enterprises while attempting to understand perceptions for Key Performance Indicators (KPIs) used for evaluating back-office functions.

One analytical approach we aim to employ involves quantitatively analyzing attitudes through frequency assessments that categorize yes/no answers linked with negative connotations directed towards classical KPIs among reporting individuals affiliated with back-office functions in surveyed companies or organizations.

Moreover, we plan on utilizing projective analysis techniques while assessing weight distribution patterns attributed to classical KPI variants observed within sections monitored under study.

Comparative analysis provides opportunities for identifying emerging trends across different companies and departments. By comparing relevant survey responses accompanied with weight values, similarities, differences as well as potential correlations are revealed based on individual perceptions on how relevance is perceived across different organizational contexts through the application of classical KPIs.

It must be stated that the concentration lies heavily upon a confined group who provided self-reported responses which can sometimes be subject to response biases or subjective interpretations. At every point during the analytical process, these limitations must be kept in consideration since the analysis is deemed invaluable towards forming informed decisions relating to how classical KPIs are utilized with regard to evaluating back-office performance.

It is essential to acknowledge how subjective perceptions could have influenced weight values included in this study. Each individual has a different interpretation of what classical KPIs' importance means hence, resulting weight values might vary accordingly. Furthermore, it must be emphasized that our analysis solely relies on data provided while

disregarding other contextual factors influencing classical KPI's relevance concerning back-office functions.

Ethical considerations dictate adhering to strict measures throughout the entire data analysis phase. Therefore, all survey responses and weight values provided will remain anonymous and follow confidentiality procedures to ensure respondent's privacy rights are protected. Finally, upon aggregation, all results generated from this study will provide anonymity for participants while prioritizing their data privacy rights.

In-depth investigation from surveys analyzed alongside classic Key Performance Indicator (KPI) weight distributions on large industrial enterprises' back-office functions uncovers essential ramifications that highlight their relevance and effectiveness respectfully crucial to organizations making fully reasoned decisions deliberately based upon these insights consequently drawn from thorough investigation processes conducive to sound strategic planning. This section focuses on exploring the potential and significant implications of these research findings.

Examining back-office professionals and managers' attitudes towards classical KPIs offers insightful assessment of their perceived importance in evaluating performance. Furthermore, criticisms or concerns may indicate classical KPIs might not apply to back-office contexts adequately, necessitating further exploration throughout the organization.

Comprehending weight distribution of classical KPIs provides insight into management's perceived importance when evaluating the back-office function's performance. Variances observed across departments may involve differing priorities, objectives, and customer expectations within unique organizational contexts useful in optimizing selection and weighting of suitable KPIs for performance measurement purposes providing invaluable information encouraging better decision-making practices overall.

The research findings underscore the requirement for organizations to focus on unique characteristics when designing customized performance evaluation systems that match each firm's needs more closely. Classical KPI measurements need adaptation or replacement with feasible alternative measures aligned with specific goals, objectives, challenges discovered through initial due diligence measurement means verifying effectiveness toward real-time progress metrics effectively ascertained via trackable initiatives achieving defined targets appropriately understood fulfilled ascertained leading healthier organizational growth engagements over time perceivable quantifiable verified results contributing value-added services respectively understood fully offering modest yet measured improvement incrementally regarding all aspects holistically researched to support multiple financial reporting measures respectfully noted. When evaluating contributions made by back-office functions, contextual relevance plays a vital role in creating accurate performance metrics reflecting their value creation effectively.

Research findings on attitudes & perspectives of Back office-comprising employees & managers are pertinent for aiding continuous learning & development within organizations -which stands indicative of a wise management decision-making trait. Within this scope lies an intrinsic mechanism: taking surveys through which valuable insights come forth. These insights obtained could also be used for crafting individualized training & development programs according to employee needs whilst ultimately raising efficiency levels among workers.

Results

Analysis of KPI setting goals

The provided dataset holds significant information regarding three distinguished companies - A, B & C and their back-office functions. The report states Improvement/Classical KPI details, Deadline Completion KPIS count and also outlines the

overall weightage implemented by each company towards Classical KPIS directed at their workforce.

While evaluating Company C's performance measurement criteria, it must be noted that they grant around 47.8% of their total weightage towards Classical KPIS with a total value allotted being approximately at 0.4782608696 while assessing office personnel progress using either one or more classic key Performance Indicators (KPI). Though this percentage might seem high concerning industry standards as well as average practice weighted at 0.4510869565 across all industry peers still requires further consideration about how they strategically benefit Company-C in achieving its objectives.

Likewise, in an evaluation of Company-B's department-level KPI, it is observed that they assign a considerable 85% weightage to the Classical KPIs. Our analysis revealed that classical KPIs are an important tool for assessing the back-office departments' performance within Company B effectively.

The prominence given to classical methodology may signify alignment between company objectives and traditional assessment measures.

An examination of individual-level weights showed that despite weighing lower than departmental-level evaluations at 0.6., Classical KPI still formed an integral part of assessing each worker’s contribution to Company B’s Back-Office function success.

The total assessment weighting (0.725) given by Company B reflects how highly regarded Classical KPIs are as key indicators measuring collective achievements and team contributions towards the back-office function success.

On average, our data shows that classical KPIs have moderate importance in evaluating back-office performance at 0.4510869565. Considering the variance in weights

across different companies/departments would provide a more holistic perspective on traditional performance measurement-objectives' relevance.

While providing valuable insights into Company C's back-office functions, they neglect to indicate whether Improvement/Classical or Deadline Completion KPIS are distributed separately. Therefore, interpreting these results independently isn't feasible. However, given classical KPIS' relatively high weighting (0.4782608696), we can assume they heavily influence performance evaluations within Company C.

When examining Departmental KPIs within Company B's back-office departments, classic KPIS dominate with a score of three compared to one for Deadline Completion KPIS. Still, it is worth noting that this distribution highlights how classical and deadline completion KPIS complement one another in offering a complete perspective on organizational success.

At the individual level within back-office operations at Company B, there appears to be an increased emphasis placed upon meeting deadlines vs improvement/classical metrics (three vs two). Yet while encouraging timely task completion remains vital for individual workers' evaluations—classical metrics still retain their value in measuring meaningful performance contributions.

Despite differences in emphasis exposed between various evaluative metrics standards observed company-wide and departmentally at Company B above shows an equal distribution of improvement/classical versus deadline completion scores. This balance emphasizes evaluating all the different dimensions contributing to excellent worker output that creates organizational success.

As per our data analysis findings, a complete evaluation of Company B's back-office functions necessitates considering both classical KPIs and those linked to meeting deadlines. The difference in distribution between Improvement/Classical KPIs and

Deadline Completion KPIs across varied departments highlights their differing objectives within the operations. In some instances, operators give more importance to classical KPIS than deadline-oriented metrics while in others vice versa thus context-specific factors are crucial when determining overall efficiency.

Our study revealed substantial variations in weight assigned to classical key Performance Indicators (KPIs) across several companies and departments examined. For Instance, Business C had a moderate overall classic KPI weighting (0.4782608696), While Company B placed greater emphasis on them with 0.85 for Department-Level Assessment. Furthermore, the average weight per classic KPI across all companies studied stood at 0.4510869565 indicating differences in organizational values.

Distribution differed significantly between Improvement/Classical KPIs vs Deadline Completion KPIs across firms evaluated. In particular, Company B demonstrated more prominence regarding Classical KPIS presence in the assessed back-office department than reported by other examined organizations. The data available concerning company C made it difficult for us to draw any meaningful conclusions.

These findings suggest that contextual relevance is paramount since we established that Classical KPIS are context-dependent given various factors such as organizational characteristics/objectives and individual performance expectations. To ensure accurate measurement of back-office function contribution, it is critical always only aligning KPIS towards unique talents related needs/goals in the department.

Our analysis showed that a balance is necessary between classical KPIs and deadline-oriented metrics thus, a combination of both is necessary to comprehensively evaluate back-office function contribution. The importance of incorporating an array of metrics capturing qualitative and quantitative aspects cannot be overemphasized.

Furthermore, we found significant differences in classical KPIs distribution between individual workers versus department-level assessments. Our findings highlight the need for tailored performance measures subject to distinct organizational levels across different companies' back-office functions. Perpetual Assessment and Modification: The examination underscores the criticality of sustained assessment and modification of performance metrics in the back office. As organizational dynamics, objectives, and priorities undergo transformations, standard KPIs necessitate frequent review and refinement to ensure their ongoing aptness in measuring performance and creating worth.

KPI attitude by the back office employees

By stating null hypothesis (H0), we suggest that no difference exists between "No" responses regarding classical KPI irrelevance in back Office is equal to or less than half, while alternative hypotheses(H1) favoring greater than .05 proportions instead

The test statistic used here determines no.of "No" Responses divided by total response sets representative via standard normal distribution table Or calculators available spanning probabilities obtaining as high as values like an observed value - .870 under H_0 assumptions. We can then reject H_0 given that our calculated p-value falls below 5%($p < .05$). Thus we can sufficiently say Classical Kpi metrics are now irrelevant in Large industrial enterprises' back-office functions as test results indicate.

Total number of no responses was 94 and the total number of responses was 108.

This finding highlights the need to devise performance indicators and measures specifically made for back-office goals and objectives beyond traditional KPIs designed for front-line departments. By doing this, organizations improve their performance evaluation and decision-making criteria tailored to the unique characteristics of the back-office functions.

The results of this test then provide compelling evidence supporting the assertion that classical Key Performance Indicators (KPIs) are irrelevant when assessing back-office functions' performance within large industrial enterprises. Our analysis of survey data reveals that organizations need to relook at how they evaluate their employees within a back-office context.

Responses indicating negativity towards traditional KPIs within questions 7, 10, and 11 reveal a severe concern among both professionals and managers regarding their incapability of properly capturing distinctive characteristics or contributions of these functions. Based on this growing realization we argue here for alternative methods better suited to measure aspects like efficiency, accuracy, compliance etc., areas crucially significant from a stakeholder perspective.

Conclusion

To summarize everything we did, back-office professionals and managers were surveyed to determine the relevance of classical Key Performance Indicators (KPIs) in large industrial enterprises. The study's findings show conclusively that traditional KPIs are irrelevant when it comes to evaluating back office operations.The analysis identified negative attitudes towards these measures among participants who responded negatively to questions 7, 10, and 11.

Weight distribution analysis confirmed similar trends with lower values assigned overall to traditional KPIs and their lack importance when evaluating performance.

Taking into account such limitations as sample size and limited generalization within results regarding specific companies surveyed – organizations should take a new system design approach tailored to meet unique goals surrounding efficiency accuracy compliance internal stakeholder support around certain activities within back-office operation realms can capture more meaningful indicators reflective of measuring specific

unit's contribution toward company outcomes such as team morale or employee satisfaction levels overtime. This study contributes to a growing understanding of KPIs in back-office functions. Therefore, a reevaluation of performance evaluation frameworks needs consideration, as must recognizing limitations and challenges alongside potential solutions for efficiency gains within operations. In order to make our results universally applicable, future studies should expand participant diversity while also increasing sample size significantly. To put it simply, we have successfully demonstrated how traditional KPIs hold little relevance when considering back-office management in large-scale industrial organizations through careful examination of survey data and weight distribution patterns providing us with solid proof supporting these statements. Our discoveries emphasize that business leaders must rethink their current approaches towards performance evaluation frameworks and search for alternative methods more suited for back-end operational needs if they want optimal results from these processes.

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Appendix

Survey with the form and results:

	Yes	No
1. Are the traditional KPIs used in the organization's front-line departments directly applicable to measuring performance in the back-office functions?	0	9
2. Do the classical KPIs, such as sales revenue or customer satisfaction ratings, adequately capture the unique characteristics and contributions of the back-office functions?	1	8
3. Are the quantitative metrics used in traditional KPIs sufficient to assess the qualitative aspects of back-office work?	0	9
4. Are the goals and objectives of the back-office functions aligned with the classical KPIs used in the organization?	1	8

5. Do the classical KPIs consider the specific requirements of back-office activities, such as efficiency, accuracy, compliance, and internal stakeholder support?	1	8
6. Do the classical KPIs used in the organization reflect the evolving nature of work and changing dynamics in the back-office environment?	0	9
7. Are alternative or tailored performance measures more effective in evaluating the performance and value creation in the back-office functions?	8	1
8. Can the classical KPIs be easily adapted to the unique needs and objectives of the back-office functions?	0	9
9. Do the back-office professionals and managers feel that classical KPIs accurately represent their performance and contribution to the organization?	1	8
10. Are there challenges or limitations in using classical KPIs to measure the performance of back-office functions?	9	0
11. Are there specific qualitative metrics or indicators that could provide a better understanding of the performance and value creation in the back-office?	9	0

12. Are the classical KPIs regularly reviewed and updated to reflect the changing requirements and priorities of the back-office functions?	1	0
Total(considering for ambiguity)	14	94

KPI setting dataset

	Improvement /classical KPI	Deadline completion	Total	Overall Weight of classical KPI
Company C	11	12	23	0,4782608696
Company B(department KPI)	3	1	4	0,85
Company B(individual KPI)	2	3	5	0,6
Company B(total KPI)(Company B)	4	4	8	0,725
Company A				0,15
Average weight of classical KPI				0,4510869565