

Title:

Introducing Key Performance Indicators to the Faculty of Economics and Business Administration of
NUOL: A Pilot Project

Duration: October 2021 – February 2023

Background

National University of Laos (NUOL) is the biggest and top university in Laos. In 2021, NUOL has 1,752 staff members and 23,861 students. Organisational structure of NUOL comprises 4 levels of authorities. Level 1 is President's Office which is occupied by President and 4 Vice Presidents. Level 2 of authorities consists of 11 offices (Planning and Finance Office, Inspection Office, Cabinet Office, Personnel Office, Academic Affairs Office, Research and Academic Service Office, International Office, Post-Graduate Education Office, Student Management Office, Infrastructure Management and Service Office, and Sea Games Village Office), faculties, institutes, NUOL Hospital, Central Library, and schools. NUOL has 13 faculties. They are Faculties of Agriculture, Architecture, Economics and Business Administration, Education, Engineering, Environmental Sciences, Forestry, Law and Political Science, Letters, Natural Sciences, Social Sciences, Sport Sciences, and Water Resources. NUOL has 2 institutes – Lao-Japan Human Resources Development Institute and Confucius Institute. Furthermore, it has 3 schools, namely Talented School, Secondary and Primary Schools. Level 3 are academic departments of faculties and divisions of offices. Level 4 are units, which belong to academic departments.

NUOL has accomplished several aspects. For instance, the numbers of master- and doctoral degree academic members have increased. There are diverse academic programmes ranging from bachelor up to doctoral levels. In 2021, NUOL has 111, 60, and 3 undergraduate, master, and doctoral programmes respectively. NUOL continues attempting and evolving. For example, in 2021, NUOL was granted more financial autonomy while several financial categories have been cut out. It has established its vision from 2021-2025 that "NUOL will become an academic and scientific research centre with the quality that is comparable to regional and international levels." This vision becomes both opportunities and challenges because when compared with regional universities, NUOL has to attempt strenuously and in many aspects, such as quality assurance, effectiveness, facilities, finance, and human resources management. The issues of human resources management include academic staff members get retired more but new staff intakes are fewer. Therefore, lecturers take more hours to teach students. That is, lecturers' teaching load is heavier. However, at least some staff members and some directorates are seen to have light workload. The former and latter are called "overload and underload phenomena". These phenomena have occurred for a long time. Therefore, the exploitation of labour and capacity of NUOL's human resources has not been fully used. In addition, there are less effective strategic plans. Actually the causes of challenges are quite complicated. For example, there is a lack of accountability, transparency, leadership, and institutional autonomy; and there is a strict centralisation. Thus, solutions are complicated and should be done accordingly. However, feasible solutions may include running an effective quality assurance system and introducing Key Performance Indicators (KPIs) to NUOL. They should work simultaneously because they enhance each other.

NUOL has a central quality assurance system, entitled 'Quality Assurance and Assessment Division' (QAAD). QAAD is within the authority of Academic Affairs Office of NUOL. Each academic faculty has its own quality assurance system. While a few faculties' quality assurance systems are on track, many of them are struggling. QAAD has been conducting research on 'Quality Assurance System of NUOL: Challenges and Opportunities'. In July 2021, QAAD will have developed policy and regulations on quality assurance (QA) at NUOL based on the research findings to make it effective and sustainable.

KPIs are performance indicators, ranging from institutional leaders to middle and junior managers, to lecturers and administrative staff members. The performances are measurable based on evidences.

Evidences might be checked weekly, monthly, each semester, or annually. However, measuring KPIs annually may be the most suitable. Nowadays NUOL measures performances in a few forms, namely lecturer evaluation, managers' evaluation of lecturers, and Party member evaluation. These measures, however, lack evidences. They are done by imagination, lacking integration, and reviewing of their effectiveness. Furthermore, viewing staff member performances are based on their punctuality of their coming and leaving the workplace, which outputs are not seen clearly and the punctuality of coming and leaving workplace of staff members are not effective. In addition, staying at workplace or offices, members cannot be clearly seen of the level of their performances. Thus, if there are systematic measuring tools, they would be most beneficial for NUOL. Key advantages of introducing KPIs may include:

1. Strengths and improvement needs are seen.
2. Effectiveness, efficiency, and transparency are enhanced and manageable.
3. Working time is flexible according to circumstances.
4. Management will be more effective and efficient.
5. Leading to work from home more.
6. If there are covid-19 impacts, university can still be operational.
7. Partially reduce road traffic, traffic jam, time wasting from traveling to and from work, consuming fuel, and damaging environment.
8. It is not necessary to come and leave workplace on time.
9. There can save university electric bill.
10. Opportunities, challenges, and solutions can be identified.
11. There are opportunities to work from different places and times – reducing repetitiveness.
12. Attempt to exploit technologies would increase.
13. Nowadays, when reaching retirement age, staff members get retired automatically. This deprives the opportunity for institutions to use talented members. Therefore, when there are evidences from KPIs, it would be attractive to consider maintaining to employ the talented members.
14. Annual priorities considered from KPI evaluation are more suitable.
15. If KPI introduction to NUOL is successful, it can be a role model for other Laos' public higher education institutions, and it can also attract the interest of other organizations outside education.

Objectives:

1. Make performance measurable.
2. Make staff members' behaviours to be manageable and expectable.
3. Increase accountability.
4. Increase transparency.
5. Make institutional plans effective.
6. Increase ownership.
7. Enhance quality assurance practices.

How these objectives will be achieved are explained in the following table.

Table 1: Objectives Are Accomplished through Activities with Indicators as Evidences

	Objective	Activity	Indicator
1.	Make performance measurable	Each directorate defines their role and responsibilities and how many members to perform.	Output document of definition and responsibilities.

2.	Make staff members' behaviours manageable and expectable	Project leader discusses how staff members' behaviours are manageable and expectable.	Powerpoint of explanation and survey result.
3.	Increase accountability	Each directorate defines and establishes accountable behaviours.	Output document of accountable behaviours.
4.	Increase transparency	Define and establish transparent behaviours.	Output document of transparent behaviours.
5.	Make institutional plans effective	Project leader discusses how institutional plans are effective.	Powerpoint and survey result
6.	Increase ownership	Project leader leads discussion	Powerpoint and survey result
7.	Enhance quality assurance practices	Project leader discusses the relationship between QA and KPIs.	Powerpoint and survey result

Main workpackages, activities and outcomes: The process of KPI development is a bottom-up process. Main workpackages consist of 4 stages.

The 1st stage involves the conduct of a one-day meeting to be held in the 1st week of October 2021. It will involve leaders of level one (President and Vices) and level two (Heads of institutes, Deans of faculties, Heads of Offices, hospital, library, and schools) meet one day to inform of the KPI introduction, reasons, aim, how to develop, implement KPIs, the role of each level managers and members, and set the timeline. In a nut shell, personnel responsible for QA processes from across all faculties of NUOL and Faculties' Boards and other level 2 boards will be key KPI developers. For those directorates, which do not have QA personnel, are required to assign them. Its purpose will be to develop principles for the implementation of a KPI framework at NUOL. This meeting will be chaired by a Vice-President from NUOL. Themes to be addressed will include: the possible design of KPIs for NUOL; the role and importance of transparency; the relationship between ownership and decentralisation; the link between KPIs and QA; and circumstances permitting.

The 2nd stage involves KPI development and implementation in the Faculty of Economics and Business Administration (FEB). All FEB members will participate. There will be a two-day meeting of all members of Faculty staff to discuss KPIs and to develop mechanisms for their implementation. This meeting will be held in three weeks after the one in stage 1. Faculty ownership of this initiative will be critical. The first day will address the development of Faculty KPIs and a plan for their implementation. The second day will focus on the allocation of responsibilities regarding the implementation of KPIs in the Faculty. Following the program, a detailed plan will be prepared for approval by the Dean of the Faculty, in consultation with the President's Office, the Academic Office, the Post-graduate Office, the Personnel Office, and the Vice-Deans. This process will take 10 weeks. The KPI plan will come into effect in February 2022 (semester 2 of the year).

The 3rd stage will involve a repeat of the 2nd stage across more than one-half of the Faculties (7 out of 13 faculties) at NUOL. Two faculties at a time will proceed as such. Twelve weeks will be spent in this stage beginning in March 2022. These Faculties will begin to implement KPIs by September 2022.

The 4th stage will be the development of an institutional policy and plan for the adoption of KPIs by NUOL. There will be a two-day meeting participated by the President and Vices, all deans, and Heads of institutes, centres, and offices. It will be held in October 2022. The aim of this stage is to initiate an institutional KPI framework in February 2023 (semester 2 of the year).

Risks

Lecturers have heavy workload. Thus, KPI data collections and reports can be slowed down. There are ad hoc meetings, such as ones requested by Ministry of Education and Sports or Government. They can be mitigated by institutional leadership discussion.

Budget: Each meeting requires water and refreshment

Expected contribution from NUOL and directorates: NUOL would encourage each directorate to be self-supported.