

Contract Management: Setting your KPIs and SLAs

After spending three to four months on the procurement process an on-going contract management procedure, including setting your Key Performance Indicators and Service Level Agreements, is key to ensuring your school or MAT continually receives the highest quality service from your contractors.

What are Key Performance Indicators (KPIs)?

KPIs are the metrics used to establish whether the contract is performing as it should, reaching its targets and objectives. KPIs are used to measure the success of the contract.

What are Service Level Agreements (SLAs)?

SLAs are the commitments made by the supplier during the tender process on what they will deliver to the client, as part of the ongoing contract, if their bid is successful.

It is important to know what your school really needs and what it may be currently missing. This forms the specification that goes out to tender. You can then use this information to define your KPIs and SLAs; make sure you refer back to your tender specification and the winning bid to ensure everything is captured.

Examples of KPIs and SLAs

Here are some examples of KPIs and SLAs across three service categories:

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| <p style="text-align: center;">Catering KPIs</p> <ul style="list-style-type: none"> • Annual marketing plan in place followed correctly and evaluated each quarter against quantifiable results. • All food products are always wrapped, labelled, dated, and stored correctly. | <p style="text-align: center;">Catering SLAs</p> <ul style="list-style-type: none"> • Portion sizes are age appropriate and consistent to the agreed specification. • Wide range of quality healthy and vegetarian dishes available at all times. |
| <p style="text-align: center;">Cleaning KPIs</p> <ul style="list-style-type: none"> • At least 60% availability of toilet rolls, soap and towels in dispensers at end of working day. • Contract Manager available on site when required within 2 hours during business hours. | <p style="text-align: center;">Cleaning SLAs</p> <ul style="list-style-type: none"> • All staff appropriately uniformed at all times and in possession of PPE as required. • Risk Assessments, Method Statements, COSSH documentation & all relevant Health and Safety documents in place and up to date. |
| <p style="text-align: center;">ICT KPIs</p> <ul style="list-style-type: none"> • 99% target of all calls to the Help Desk facility within core hours answered by a person within 30 seconds. | <p style="text-align: center;">ICT SLAs</p> <ul style="list-style-type: none"> • Service desk availability 08:00 – 17:00, Monday – Friday. • Service level monitoring and KPI reports to be provided on a monthly basis and full |

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| <ul style="list-style-type: none">• 95% target of resolving urgent priority issues within 4 hours. | helpdesk analysis provided on a quarterly basis. |
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These metrics should be agreed and embedded at the start of the contract between the school and the new service provider. It's vital that reasonable goals are set based on your schools' current baseline achievements to ensure that the goals are attainable and fit for purpose.

Once you have established your KPIs and SLAs, you need to keep track of the progress throughout the duration of the contract. We would recommend putting a plan together for how they will be reached with key milestone achievements throughout the contract. You can also RAG rate the performance of each objective at the end of each term, so you can quickly identify the areas that need the most attention through a colour-coded system. This will help keep you on track!

Finally, pre-schedule quarterly and yearly reviews with your supplier. We often facilitate KPI reviews for our clients using scorecards to assess the supplier's measure of the service compared with the school's assessment, so there is an open dialogue between both parties. During the meetings go through the data and confirm that the agreements and expectations have been met, so your school or MAT can reap the full benefits of your new contract!

If you have any questions or concerns around contract management or would like to receive a scorecard template, contact Schools' Buying Club via our free Procurement Helpline. It's simple fill in the [online form](#) or email helpline@schoolsbuyingclub.com and our procurement specialists will assist you.



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