SS ISO 22400-1 : 2019 ISO 22400-1:2014, IDT (ICS 25.040.01)

SINGAPORE STANDARD Automation systems and integration – Key performance indicators (KPIs) for manufacturing operations management

- Part 1: Overview, concepts and terminology





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National Foreword

This Singapore Standard was prepared by the Working Group on Smart Manufacturing Readiness Level set up by the Technical Committee on Smart Manufacturing under the purview of MSC.

This standard is identical with ISO 22400-1:2014, "Automation systems and integration – Key performance indicators (KPIs) for manufacturing operations management – Part 1: Overview, concepts and terminology" published by the International Organization for Standardization.

This standard is expected to be used by system integrators, government agencies, testing, inspection and certification bodies, professional institutions, institutes of higher learning and training providers.

Attention is drawn to the possibility that some of the elements of this Singapore Standard may be the subject of patent rights. Enterprise Singapore shall not be held responsible for identifying any or all of such patent rights.

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Foreword

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For an explanation on the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the WTO principles in the Technical Barriers to Trade (TBT) see the following URL: <u>Foreword - Supplementary information</u>

The committee responsible for this document is Technical Committee ISO/TC 184, Automation systems and integration, Subcommittee SC 5, Interoperability, integration and architectures of automation systems and applications.

ISO 22400 consists of the following parts, under the general title *Automation systems and integration* — *Key performance indicators (KPIs) for manufacturing operations management:*

- Part 1: Overview, concepts and terminology
- Part 2: Definitions and descriptions

The following parts are planned:

- Part 3: Exchange and use
- Part 4: Relationships and dependencies

Introduction

Using key performance indicators (KPIs) for manufacturing operations management (MOM) is motivated by the possibility to use them to improve the value creation processes of an enterprise.

Measuring performance enables an enterprise to quantify aspects of all its activities. ISO 22400 focuses on performance measures found to be particularly meaningful for the realization of operational performance improvement. These performance measures can be achieved through combining various measurements from operations and forming what are called KPIs. The monitoring of performance is specific to identified objectives of the enterprise, and KPIs are most useful when their values can be used to identify trends relative to certain operational objectives.

Within an enterprise, the various operational areas, such as sales, manufacturing, engineering, marketing, and other business support functions, have different sets of performance indicators. These various performance indicators are used together to monitor the realization of enterprise business objectives.

An International Standard for KPIs is beneficial for comparing enterprise operations over extended periods of time and for comparing similar operations of enterprises within an industry.

The management of manufacturing operations is normally associated with an intermediate level within the functional hierarchy of a manufacturing enterprise. In IEC 62264-1, the MOM domain is the intermediate domain between the enterprise domain (Level 4) and the control domain (Levels 1 and 2).

The KPIs defined in this part of ISO 22400 are intended to be calculated using data from the control domain, and to provide both the enterprise domain and the MOM domain with decision support information to manage the enterprise.

This part of ISO 22400 presents an overview, concepts and terminology for KPIs. ISO 22400-2 covers guidelines for computing and for measuring the components of a KPI. Future parts of ISO 22400 will cover definitions for the content and context of the exchange and the use of KPIs, and specifications of relationships, dependencies among KPIs, and the maturity of the collection and use of KPIs.

Automation systems and integration – Key performance indicators (KPIs) for manufacturing operations management – Part 1: Overview, concepts and terminology

1 Scope

ISO 22400 specifies an industry-neutral framework for defining, composing, exchanging, and using key performance indicators (KPIs) for manufacturing operations management (MOM), as defined in IEC 62264-1, for batch, continuous and discrete industries.

This part of ISO 22400

- provides an overview of a KPI;
- presents concepts of relevance for working with KPIs, including criteria for constructing KPIs;
- specifies terminology related to KPIs;
- describes how a KPI can be used.