

BENCHMARKING

For Best Practices

What is Benchmarking

- A method for identifying and importing best practices in order to improve performance
- The process of learning, adapting, and measuring outstanding practices and processes from any organization to improve performance

Why Benchmark

- Identify opportunities to improve performance
- Learn from others' experiences
- Set realistic but ambitious targets
- Uncover strengths in one's own organization
- Better prioritize and allocate resources

Public Sector Benchmarking

- Citizens demand effective and responsive government
- Voters resent waste of tax dollars
- People ask for greater accountability of government
- Weak economy forces government to provide more services with less resource

Types of Benchmarking: 1

- Strategic Benchmarking

How public, private, and nonprofit organizations compare with each other. It moves across industries and cities to determine what are the best strategic outcomes.

Types of Benchmarking: 2

- Performance Benchmarking

How public, private, and nonprofit organizations compare themselves with each other in terms of product and service. It focuses on elements of cost, technical quality, service features, speed, reliability, and other performance comparisons.

Types of Benchmarking: 3

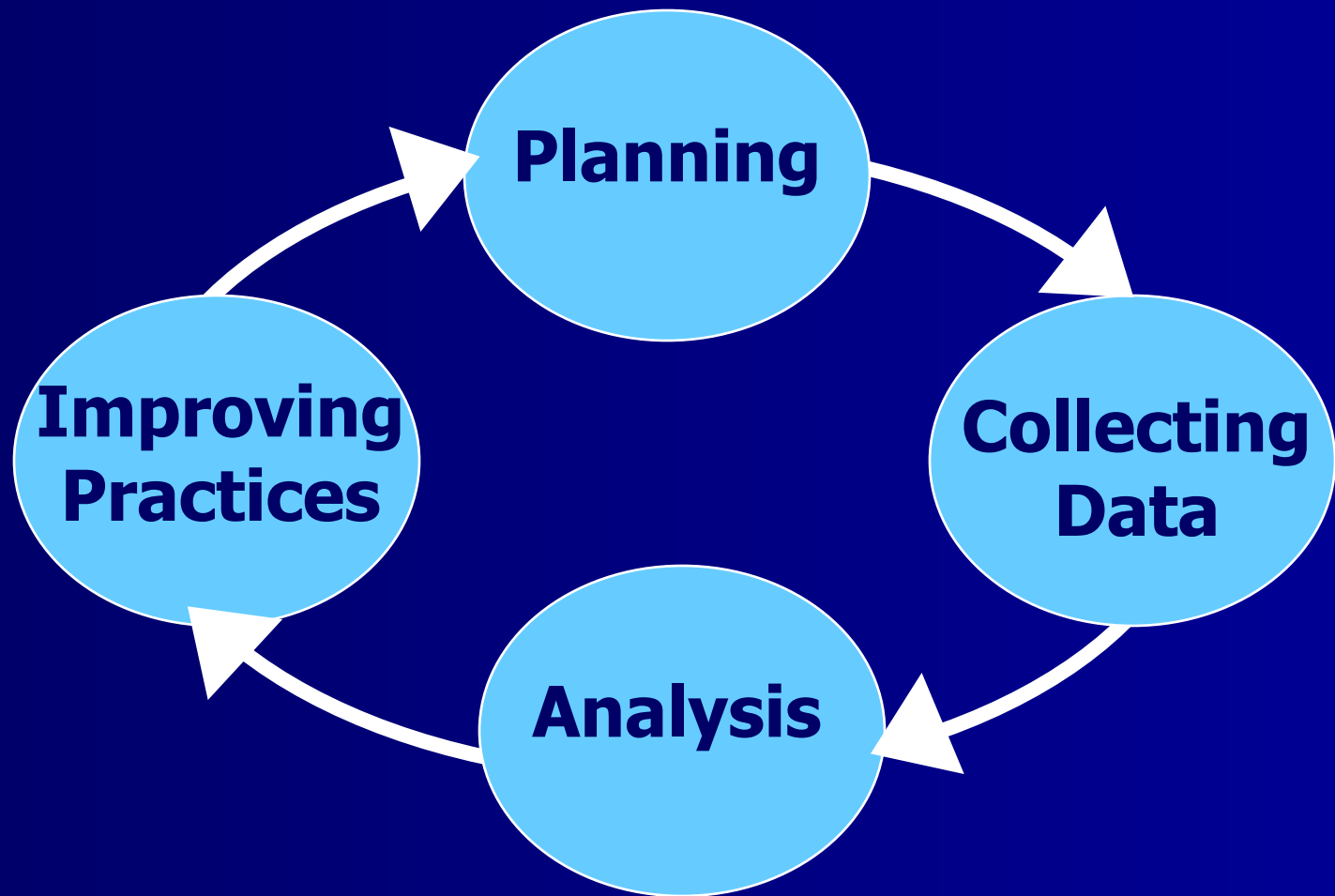
- Process Benchmarking

How public, private, and nonprofit organizations compare through the identification of the most effective operating practices from many organizations that perform similar work processes.

When not to Benchmark

- Target is not critical to the core business functions
- Customer's requirement is not clear
- Key stakeholders are not involved
- Inadequate resources to carry through
- No plan for implementing findings
- Fear of sharing information with other organizations

Benchmarking Process



1. Planning

- Determine the purpose and scope of the project
- Select the process to be benchmarked
- Choose the team
- Define the scope
- Develop a flow chart for the process
- Establish process measures
- Identify benchmarking partners

2. Collecting Data

- Conduct background research to gain thorough understanding on the process and partnering organizations
- Use questionnaires to gather information necessary for benchmarking
- Conduct site visits if additional information is needed
- Conduct interviews if more detail information is needed

3. Analysis

- Analyze quantitative data of partnering organizations and your organization
- Analyze qualitative data of partnering organizations and your organization
- Determine the performance gap

4. Improving Practices

- Report findings and brief management
- Develop an improvement implementation plan
- Implement process improvements
- Monitor performance measurements and track progress
- Recalibrate the process as needed

Resources

- American Productivity and Quality Center
<http://www.apqc.org>
- National Institute of Standards and Technology Quality Program
<http://www.quality.nist.gov>