

## **Benchmarking Guide**

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### **What is Benchmarking?**

Benchmarking can be an effective way to identify improvements that can make a significant difference to your organisation.

Benchmarking is simply about comparing the quality of your practice, systems and processes with those of other organisations, in order to make improvements.

### **What shall we benchmark?**

As with all improvement activities, it is better to start with an identified area for improvement, or an activity where improvement will provide maximum benefit.

It could be that your organisation has already identified that there are specific areas for improvement that have generally 'emerged' over time. For example: high staff sickness levels or recruitment problems.

It may be that the areas for improvement have been identified as part of a more formal Performance Improvement assessment process.

### **Who shall we benchmark ourselves against?**

It makes sense to compare your organisation with organisations that are engaged in similar areas of activity. Given that benchmarking is a performance improvement exercise, it is important that you identify organisations that you feel you can learn from.

Lessons can be learned from organisations outside of your usual area of operation - Regional and national flagship performers in the activity - who have a good reputation in their field.

## **How do we locate potential benchmarking partners?**

Finding organisations to benchmark your organisation against may well involve doing some research. It could be worthwhile contacting some local and national infrastructure organisations, which will be able to let you know about other organisations that are engaged in similar activity. In Bristol for example this could be Voscur, The Black Development Agency, Social Enterprise Works to name but a few.

## **How do we get potential benchmarking partners on board?**

Provided that there is a professional exchange and the chance of mutual benefit, there is a good chance of getting others to engage. However, VCSE organisations whose resources are often stretched may feel that they lack capacity to start something new.

It is true that benchmarking will take time. However, in the longer term you can easily argue that the improvement outcomes from benchmarking will ultimately benefit an organisation. It will be time well spent.

You will reassure potential partners by being totally honest and open and that you have no hidden agendas. Similarly, it is important to clarify your areas of interest with others and stress the benefits of a professional, mutual exchange.

Also, you should be prepared to provide more information about your activities than you are willing to receive in return. So it is important that, prior to contacting potential partners, that you know your own situation in great detail, including the performance measurements used.

Finally, clarify confidentiality and any restricted areas (on either side) and identify any potentially sensitive areas (before you step on them!)

## **How do we gather the required information?**

- **Develop a Questionnaire**

Draft a questionnaire with all of the information you want to obtain. Remember to phrase the questions to gain maximum comparative information (as you will want to compare the outcome from a number of partners). Absolute values are meaningless without all of the supporting details. Examples of useful questions are:

Open questions - How, Where, When, Who, What

Scaled Answers - very important, important or not important

- **Review the questionnaire with a team of others. Change it to improve.**

Complete the Questionnaire - for your own organisation

This is a good test of the questions and also ensures that you can respond to similar requests for information from your benchmarking partners.

- **Write Down the Reason for Asking Each Question**

Again, this will test if all the questions are really necessary, and will provide you with an answer if the partner asks you why you want to know.

- **Talk to the Benchmarking Partner**

Make sure you clarify the areas of interest and your objectives. Outlining your primary questions and providing the questionnaire in advance will aid clarity. Arranging a visit to the organisation can also further your understanding of how they operate.

### **What do we do with the information we get?**

The data you collect is there to compare the similarities and differences, in order to clearly identify improvement opportunities. The benchmarking exercise is only worthwhile if you then go on to action the improvement.

In order to implement meaningful improvements, it is important to analyse the information you have collected. It is important to be mindful that use of the information collected is only as good as the interpretation of it.

Often, the information collected will throw up an array of possible interpretations and therefore improvement possibilities. Discuss the findings with others in your organisation and if possible analyse the data as part of team. This will make for an interesting discussion and will ultimately lead to better improvements being made.

Share the findings with all interested parties both inside and outside of your organisation. By doing so, you will foster a culture of sharing good practice and keep performance improvement on the agenda.

In order to understand the effectiveness of the improvements made, it is necessary to monitor the improvements and benchmark again over a period of time. Information can become outdated and performance improvement is a continuous process.

*Disclaimer: The information provided here is intended to give some pointers, and is not fully comprehensive. More information can be found in the Voscur library. Voscur cannot accept any legal responsibility for how this information is used.*

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