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BPIR Best Practice Report
Volume 10, Issue 5

Benchmarking 2



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The TRADE Best Practice Benchmarking Methodology
(the latest version is available at BPIR.com)
www.coer.org.nz/apply/trade-best-practice-benchmarking



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The International Best Practice Competition and Organisation-Wide Innovation Award
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The Global Benchmarking Award
(dozens of benchmarking award videos and case studies are available at BPIR.com)
www.globalbenchmarkingaward.com

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Volume 10, Issue 5: Benchmarking 2

The Definition

Benchmarking is a process to identify and implement best, better or new practices, with the objective of providing greater stakeholder value and obtaining a competitive advantage. It is a way of discovering the best performance and practices of other organisations, and then learning, adapting, creating, and implementing high-performing practices to produce superior performance results.

The Stage

To stay competitive, organisations are constantly on the lookout for new tools, methods, and approaches to improve their performance. Whether it is through strategy, systems, functions, processes, products or services, benchmarking is one of the most effective ways of improving performance.

Research consistently shows benchmarking to be one of the most effective and widely used management tools. It enables organisations to innovate and reduce costs without having to reinvent the wheel. Benchmarking uses a structured and systematic process; it facilitates the identification of best practices from other organisations, and serves as a vehicle for continuous improvement and breakthrough thinking. Once these best practices have been identified, organisations can adapt them to suit their needs. This significantly enhances performance levels and increases productivity.

There are many forms of benchmarking, and the sheer number of models, approaches and classifications can be confusing. Fortunately, there is now a significant body of academic papers on the subject. There can be anywhere from four to 32 steps (or stages) of benchmarking, depending on the level of detail of the methodology. However, the generic steps are similar in nature. These are covered in the main body of this report.

Make no mistake, benchmarking is here to stay. In fact, its popularity is expected to grow as information about best practices becomes more readily available, and its effectiveness in global key agendas is more widely understood. This is especially true for areas relating to innovation, cost cutting, and the reduction of complexity.

In This Report...

1. What is benchmarking?
2. Which organisations have received recognition for excellence in benchmarking?
3. How have organisations reached high levels of success in benchmarking?
4. What research has been undertaken into benchmarking?
5. What tools and methods are used to achieve high levels of success in benchmarking?
6. How can benchmarking be measured?
7. What do business leaders say about benchmarking?
8. Conclusion

Author: Dr Alan Samuel, BPIR.com Limited

Editor: Dr Robin Mann, Centre for Organisational Excellence Research

Editor: Michael Adams, [Thingwall Communications \(Canada\)](#).

1. What is benchmarking?

1.1 What Is Benchmarking?

Source: [Centre for Organisational Excellence Research](#), New Zealand (date of information: 2010)

Link (video): [What Is Benchmarking?](#)

Application/Key learning points: Although this presentation is eight years old, Robin Mann, chairman of the Global Benchmarking Network, captures succinctly the essence of benchmarking. In this four-minute video, he describes and gives examples of both formal and informal benchmarking, and explains how they relate to learning from the experience and practices of others.

1.2 Popular Approaches to Benchmarking and Benchmarking Stages

Source: [The Forge](#), United States (date of information: 2017)

Link (video 1): [Benchmarking and Process Elements](#)

Link (video 2): [Benchmarking Process](#)

Application/Key learning points: There are many approaches to benchmarking and this is just one of them. The first video gives you an overview of some popular types and a four-step process of benchmarking. Among the types of benchmarking featured are business process management; process benchmarking; performance benchmarking; project benchmarking; and, strategic benchmarking. The second video presents a different view of the benchmarking process in five stages. Although the points are presented differently, the basic elements of benchmarking are similar.

1.3 The Benefits of Benchmarking

Source: [ASUG Talent Hub](#), United States (date of information: 2017)

Link (video): [7 Benefits of Benchmarking in Under 60 Seconds](#)

Link (video): [Benefits of Benchmarking by PepsiCo](#)

Application/Key learning points: The first video lists seven benefits of benchmarking. See if you can find these benefits in the second video, which features PepsiCo. The famous drink company uses benchmarking extensively to compare and improve its product in a continuous learning cycle. Watch the video interview as its top executive reveals how benchmarking works for PepsiCo.

1.4 What Is a Best Practice in Relation to Benchmarking?

Source: [BPIR.com](#), New Zealand (date of information: 2018)

Link (video): [What Is a Best Practice?](#)

Application/Key learning points: Whenever we discuss benchmarking, the term “best practice” will invariably come up. These best practices, identified from exemplary or best-in-class organisations, can help improve your current organisational practices – if you are willing to learn from their experience.

1.5 Understanding Benchmarking

Source: [Royal College of Nursing](#), United Kingdom (date of information: 2017)

Link (PDF): [Understanding Benchmarking](#)

Application/Key learning points: Nursing requires the highest standard of professional care for patients. This publication, *Understanding Benchmarking*, shares how benchmarking serves as a cost-effective means to achieve those standards. While it focuses on clinical practice benchmarking, the fundamentals of benchmarking – and its purpose – are clearly explained. It also shows the capacity of benchmarking to help organisations look beyond themselves to others who perform better. It is in the sharing of these practices that organisations continually improve.

For an easy-to-understand overview of benchmarking and its importance for organisations of all sizes and levels of maturity, listen to this podcast with Robin Mann, head of the Centre of Organisational Excellence Research, on best practice benchmarking: [Benchmarking: an Interview with Robin Mann](#)

2. Which organisations have received recognition for excellence in benchmarking?

2.1 Examples of Best Practice and Benchmarking Awards

Sources & Links:

- [Frost & Sullivan Asia Pacific Best Practices Awards](#), Asia Pacific
- [Association for Tertiary Education Management Best Practice Awards](#), Australia & New Zealand
- [International Adviser Best Practice Adviser Award](#), Europe
- [Transforming Data with Intelligence \(TDWI\) Best Practices Awards](#), Europe
- [BestPrax Prize](#), India
- [Global Benchmarking Award](#), International
- [CINET Professional Textile Care Global Best Practices Awards](#), Netherlands
- [International Best Practice Competition](#), New Zealand
- [The Dubai International Award for Best Practices \(Living Environment\)](#), United Arab Emirates
- [Frost & Sullivan Excellence in Best Practice Awards](#), United Kingdom
- [The International Green Apple Environment Awards for Environmental Best Practice](#), United Kingdom
- [Best Practice Institute Awards](#), United States
- [Bio-IT World Best Practices Awards](#), United States

Application/Key learning points: These are awards that recognise organisations for their best practices; these organisations are likely to have good benchmarking programmes. The exception is the Global Benchmarking Award, which recognises organisations that have integrated benchmarking into their organisation's strategy and processes in order to continuously learn and innovate. From the sources listed above, you will be able to see some of the best organisations in this field, and read about what makes them exceptional. Award winners are usually excellent organisations to contact and from which to learn.

2.2 The Global Benchmarking Network (GBN)

Source: [The Global Benchmarking Network](#) (date of information: 2018)

Link: [Vision, Mission, and Values](#)

Application/Key learning points: GBN aims to be the global hub for benchmarking. It focuses on promoting and facilitating benchmarking by sharing best practices, and working with its members to support them help each other and work together. At the time of publication, GBN has some 30 country members in its network. It continues to meet and discuss the latest trends and forecasts, and to host international benchmarking conferences and the GBN awards.

2.3 Powerhouse in Benchmarking: the American Productivity & Quality Center (APQC)

Source: [American Productivity & Quality Center](#), United States (date of information: 2018)

Link: [APQC Awards and Recognition](#)

Application/Key learning points: APQC is recognised globally for its contribution to productivity, quality in the workplace, knowledge management, and benchmarking methodology. It has been responsible for developing the Malcolm Baldrige National Quality Award, producing the Benchmarking Code of Conduct, and introducing Open Standards Benchmarking research.

2.4 Dubai We Learn: 13 Benchmarking Case Studies

Source: [BPIR.com](https://www.bpir.com), New Zealand (date of information: 2017)

Download (PDF): [Dubai We Learn: 13 Case Studies](#)

Application/Key learning points: One of the fastest ways you can learn is from these 13 successful benchmarking projects in the Dubai Government Excellence Programme. All of these were developed through the rigorous TRADE benchmarking methodology. The publication summarises how the projects were undertaken, key success factors, results achieved, and lessons learned. The projects focused on a broad range of issues including innovation; employee happiness; smart government; purchasing; knowledge management; and, building employee competencies and skills. In addition, the publication shares some fantastic best practices that can immediately be applied or adapted for use.

2.5 Premier Benchmarking Website: BPIR.com – the Business Performance Improvement Resource

Source: [BPIR.com](https://www.bpir.com), New Zealand (date of information: 2018)

Link: [The BPIR.com Vision: Don't Reinvent the Wheel](#)

Application/Key learning points: If you're looking for a one-stop shop to improve your organisation's performance and find best practices, look no further than [BPIR.com](https://www.bpir.com). It is the premier website for all your improvement and learning needs, regardless of the size, type or demographic of the industry you are in. BPIR.com was launched in 2002. Its purpose is to help you accelerate your growth by learning from the best practices around you. BPIR.com gives you access to the following resources:

- bi-monthly best practice reports
- a monthly newsletter
- hundreds of benchmarks
- thousands of best practices
- more than 1,200 performance measures
- more than 85 self-assessment tools
- more than 1,100 business improvement tools
- more than 2,400 competitor analysis cases
- more than 14,800 award winners for benchmarking
- a research request service
- a blog featuring all of the latest news
- an events calendar.

As a member, you are always kept up to date with the latest news, and you can connect with more 6,000 organisations world-wide to share, collaborate, and grow. [Join now](#), and learn how you can quickly help your organisation grow its capacity and profitability. Don't reinvent the wheel – learn from the experiences of others who have proven practices that really work. BPIR.com is priced very competitively and we can guide you to make the most of the website.

“Benchmarking is a process of finding and implementing best practices. It is the desired output of the benchmarking process. It is only through an understanding of best practices that the way to improvement is revealed. The process of identifying, understanding and adapting superior practices from organisations locally and worldwide, within and outside the industry, helps an organisation improve its performance and achieve priority business results.”
—Robert Camp, father of benchmarking

3. How have organisations achieved high levels of success in benchmarking?

3.1 Winner of the 5th Global Benchmarking Award: Al Jazeera International Catering, UAE

Source: [Global Benchmarking Award](#), China (date of information: 2016)

Download (PDF): [Award Application](#)

Link (video): [Benchmarking Approach](#) .

Application/Key learning points: Al Jazeera International Catering (JIC) has embedded benchmarking as an organisational culture. JIC employees consistently look for best practices and ways of improving their business functions. They have access to BPIR.com and are strongly encouraged to attend workshops and conferences to learn. Using the TRADE methodology, they have completed six benchmarking projects, with processes related to people development, product enhancement, emergency response, supplier management, and business excellence. The results indicate measurable improvement in employee focus levels; increased levels of staff satisfaction; improved processes in training and bidding; and, an improved food safety audit performance.

3.2 Winner of the 4th Global Benchmarking Award: The Medical City, Philippines

Source: [Global Benchmarking Award](#), Dubai (date of information: 2015)

Download (PDF): [Award Application](#)

Link (video): [Benchmarking Approach and Q&A](#)

Application/Key learning points: The Medical City (TMC) is a tertiary-care hospital in the Philippines. It has adopted benchmarking as a strategic initiative that is integrated into its strategic planning processes. The company has in place systems to continually review its performance measures and outcomes against the Institute for Healthcare Improvement. A total of 15 benchmarking projects have been undertaken, including patient satisfaction; patient partnership; process improvements in certain functions; and, in the area of safety and clinical outcomes. As a result of its efforts, TMC has been recognised locally as a best practice in infectious disease control, and internationally for its hand hygiene project.

3.3 Winner of the 3rd Global Benchmarking Award: OCBC Bank, Consumer Credit Risk Department, Singapore

Source: [Global Benchmarking Award](#), United Arab Emirates (date of information: 2014)

Download (PDF): [Presentation](#)

Link (video): [Presentation](#)

Application/Key learning points: The Oversea-Chinese Banking Corporation Limited (OCBC Bank) has been consistently ranked amongst the world's strongest banks by Bloomberg. The bank's vision is to be the best credit risk management house in Asia. It combines three types of benchmarking to improve performance:

- *Performance Benchmarking*, to identify key indicators and measures for the business
- *Best Practice Benchmarking*, to learn and adapt from best-in-class organisations (TRADE methodology)
- *Informal Benchmarking*, a culture of always learning from others' better practices.

Check out the presentations to see what the OCBC Bank has achieved as a result of its strong benchmarking approach.

“All successful companies are constantly benchmarking their competition.”

—James Dunn, professor, United Kingdom

3.4 5th International Best Practice Competition Runner-Up: Dubai Municipality

Source: [BPIR.com](https://www.bpir.com), New Zealand (date of information: 2017)

Download (PDF): [Award Application](#)

Link (video): [Presentation](#)

Application/Key learning points: Dubai Municipality was runner-up in the 5th International Best Practice Competition, and also received a 7-Star rating in the use of TRADE methodology, the highest level of benchmarking certification. The goal of the municipality was to improve the purchasing process, enabling it to obtain the best quality goods and materials from the best suppliers. The results were as follows:

- reduce purchase cycle days (bid evaluation) from 11 days to 7.7 days
- increase completed purchase requisitions from 47 per cent in 20 days to 97 per cent in 12.2 days
- reduce cancelled and returned purchase requisitions to save 800,000 AED
- fully automated purchase processes cycle by eliminating the last manual process, eliminating waste processes.

Find out how Dubai Municipality achieved these impressive results using the TRADE methodology.

3.5 Knowledge and Human Development Authority: People Happiness

Source: [BPIR.com](https://www.bpir.com), New Zealand (date of information: 2017)

Download (PDF): [Award Application](#)

Link (video): [Presentation](#)

Application/Key learning points: The Knowledge and Human Development Authority (KHDA) is the educational quality assurance and regulatory authority of the Government of Dubai, United Arab Emirates. KHDA received a 7-Star rating in the use of the TRADE methodology, the highest level of benchmarking certification. Its goal was to identify best practices related to people happiness, work-life balance, and personal well-being. A total of 21 practices were implemented within one year to improve employee happiness from a score of 7.3 to 7.6. This placed KHDA among the top 10 per cent of happiest organisations according to the “Happiness at Work” survey. KHDA has also used informal benchmarking techniques with a Malaysian organisation to add value to its project.

3.6 Dubai Electricity and Water Authority: Promoting and Marketing Solar Energy

Source: [BPIR.com](https://www.bpir.com), New Zealand (date of information: 2016)

Download (PDF): [Success Story](#)

Link (video): [Presentation](#)

Application/Key learning points: The Dubai Electricity and Water Authority (DEWA) received a 7-Star rating in the use of TRADE methodology, the highest level of benchmarking certification, for the promotion and marketing of its Shams Dubai initiative. The goal of Shams Dubai is to have solar panels installed on every roof in Dubai by 2030, as part of the UAE vision to produce 75 per cent of its energy from clean sources by 2050. Through its program of promoting customer awareness, interest, and engagement, there was a significant increase in customer awareness (from 55-90 per cent) within 3 months. Solar installation projects increased from 29 to 287 over 12 months, which is an astonishing growth rate of 1,479 per cent.

3.7 Starbucks Stays Competitive Against Other Market Giants by Benchmarking

Source: [Prezi](https://www.prezi.com), New Zealand (date of information: 2015)

Download (PDF): [Starbucks Staying Competitive by Benchmarking](#)

Application/Key learning points: Starbucks is currently the largest coffee chain in the world, though their coffee is not the cheapest. How do they retain their brand and aggressive expansion? The answer is simple: by benchmarking with other giants. This deck of slides will show you a comparison between Starbucks and Costa in coffee purchasing strategy, customer service, waste management, and logistics. Check out the list of recommended adapted practices from what they have learnt from their competitor.

3.8 Winner of the 5th International Best Practice Competition: Bharat Petroleum Corporation Limited, India

Source: BPIR.com, New Zealand (date of information: 2017)

Download (PDF): [Employee Health Management System Presentation](#)

Link (videos): [Employee Health Management System](#)

Application/Key learning points: The Employee Health Management System (EHMS) is an online system covering all aspects of health of the Bharat Petroleum Corporation's 14,000 staff. This highly impressive system ensures mandatory health checks every year, provides full transparency, and enables results to be monitored using a wellness index. Timely interventions and preventative talks are given to staff on a regular basis to maintain and improve health: in a hazardous work environment, the system is greatly appreciated. It is remarkable for an organisation to invest so heavily in the well-being of its staff – and the benefit of an exceptionally healthy workforce is a much higher rate of productivity. This enterprise-wide best practice is also a prime candidate against which to benchmark.

3.9 Rapid Benchmarking at Fonterra Using the TRADE Best Practice Benchmarking Methodology

Source: BPIR.com, New Zealand (date of information: 2018)

Download (PDF): [Rapid Benchmarking at Fonterra](#)

Application/Key learning points: This report describes how the TRADE best practice benchmarking methodology has been used for rapid benchmarking by New Zealand's largest company Fonterra, a multinational dairy co-operative responsible for approximately 30 per cent of the world's dairy exports. Normally, the TRADE methodology is used for projects requiring a team approach, with projects typically taking from two to five months. The term "rapid benchmarking" is used as Fonterra uses TRADE to identify best practices and develop an implementation plan within five days. Read these three case studies to see how rapid benchmarking was used and what results were achieved, and to get an idea of the success factors for rapid benchmarking.

"I tell young entrepreneurs to use the leader in their industry and as a benchmark as they work to create their own brand. Don't look at what your competition is doing - if you emulate the leader in your industry, you will achieve a higher level of engagement with consumers and make their buying experience richer."

*—Steve Stoute, businessman and author,
United States*

4. What research has been undertaken into benchmarking?

4.1 Benchmarking Is Here to Stay!

Source: [Global Benchmarking Network \(GBN\)](#), (date of information: 2010)

Download (PDF): [Global Survey on Business Improvement and Benchmarking](#)

Application/Key learning points: Although this publication is eight years old, it is probably the largest survey performed on benchmarking, receiving responses from more than 450 organisations in 44 countries. Out of the 20 most common business improvement tools used in organisations, benchmarking (informal benchmarking, performance benchmarking, and best practice benchmarking) ranked fourth, fifth and sixth respectively. In the survey, all three types of benchmarking were expected to increase in popularity in the following three years. In a recent Global Benchmarking Conference IBCON 2016), Robert Camp, the guru and father of benchmarking, reiterated the importance of benchmarking as one of the most important management tools for the future.

4.2 Benchmarking Past, Present, and Future

Source: [BPIR.com](#), New Zealand (date of information: 2015)

Download (PDF): [Benchmarking Past, Present, and Future](#)

Application/Key learning points: Robin Mann, director of the Centre for Organisational Excellence Research (COER) and co-founder of BPIR.com, gives an overview of the past, present and future of benchmarking. The article traces the key milestones, history, and ease of benchmarking with technology as an enabler. Additionally, find out what the future holds for benchmarking and why it will continue to be amongst the top organisational improvement tools for years to come.

4.3 A Preliminary Model of Informal Benchmarking

Source: [BPIR.com](#), New Zealand (date of information: 2017)

Download (PDF): [A Preliminary Model of Informal Benchmarking](#)

Application/Key learning points: Informal benchmarking can be simply defined as the informal learning of work practices from others. This paper presents a preliminary conceptual model of informal benchmarking and includes the following: a working definition; purposes; characteristics; taxonomy; and, a toolset for informal benchmarking. The models are based on chosen disciplines and concepts to explain the use of informal benchmarking techniques in the context of organisational improvement.

4.4 The Benchmarking 2030 Project

Source: [Global Benchmarking Network \(GBN\)](#), (date of information: 2013)

Download (PDF): [The Benchmarking 2030 Project](#)

Application/Key learning points: What will benchmarking look like in a decade? Find out from this comprehensive report that asks hard questions on the future and relevance of benchmarking. The key trends are mapped out in six areas, including society; consumers; business; technology; globalised world; and, the environment (page 10). The project includes views from GBN benchmarking experts and practitioners, and extensive research by four key leaders of the project from Australia, New Zealand, and Germany. It also incorporates views about benchmarking from GBN member customers.

4.5 Benchmarking: A powerful Technique for Continuous Improvement

Source: [Institute of Industrial & Systems Engineers](#), United States (date of information: 2015)

Download (PDF): [Benchmarking: A Powerful Technique for Continuous Improvement](#)

Application/Key learning points: There are so many approaches, methods, tools, and techniques for benchmarking that it can be confusing for businesses. This paper will help clarify some of the confusion by providing a fundamental analysis of what benchmarking is all about – and how it started with Xerox. The article distils the key stages and shows the classical taxonomy of the types of benchmarking available on the market.

5. What tools and methods are used to achieve high levels of success in benchmarking?

5.1 TRADE Best Practice Benchmarking Methodology

Source: [COER](#) (date of information: 2018)

Link and videos: [Explanation of TRADE Best Practice Benchmarking](#)

Application/Key learning points: The TRADE Best Practice Benchmarking Methodology has been used by thousands of organisations worldwide. Focusing on the exchange (or “trade”) of information and best practices to improve the performance of processes, goods and services, TRADE consists of five stages:

- *Terms of Reference – Plan the Project.* This stage involves selecting the aim of the project, forming a project team and developing the terms of reference. The terms of reference provide the foundation for a successful project.
- *Review Current State.* The second stage involves researching the extent of the current problem/issue and identifying and understanding the current practices.
- *Acquire Best Practices.* This stage involves identifying which organisations are likely to have superior practices and finding out what they do differently. Various methods can be used to learn from other organisations such as internet research, surveys and site visits.
- *Deploy – Communicate and Implement Best Practices.* This stage involves communicating best practice findings from the Acquire stage to the relevant stakeholders, deciding what should be changed with the current practice/process, and implementing the changes.
- *Evaluate – Evaluate the Benchmarking Process and Outcomes.* This stage is designed to make sure the project has delivered the expected benefits that were outlined in the Terms of Reference. It involves undertaking a cost and benefits analysis and a review on how well each stage of the benchmarking project was undertaken so that this learning can be applied to future projects.

5.2 Tenth International Benchmarking Conference (IBCON)

Source: [Global Benchmarking Network \(GBN\)](#), (date of information: 2017)

Download (PDF): [10th International Benchmarking Conference](#)

Application/Key learning points: The 10th International Benchmarking Conference, held in China, brought together experts and specialists from around the world to discuss the use of benchmarking to achieve corporate excellence. Winners of past GBN Global Benchmarking Awards, speakers and members of the GBN Network gave presentations to share their strategy, process, and benchmarking-related work, and to inspire each other to continue the journey of learning and exploration. Pages 3-10 are particularly useful, but if you want to read further, you will find good material on how benchmarking is helping to shape economies, opportunities to participate in best practice competitions, and a review of the current state of organisational excellence.

5.3 Using Benchmarking Measurement to Improve Performance over Time

Source: [Accreditation Association for Ambulatory Health Care](#), United States (date of information: 2013)

Download (PDF): [Using Benchmarking Measurement to Improve Performance over Time](#)

Application/Key learning points: A useful case study on how to use benchmarking measurements to improve performance in any quality improvement program initiative. There are 10 elements defined in this healthcare industry for their quality initiatives. These can be viewed as a methodology for achieving best practices.

5.4 Top 16 Competitor Analysis Tools

Source: [Brandwatch](#), United Kingdom (date of information: 2017)

Link: [Top 16 Competitor Analysis Tools](#)

Application/Key learning points: Online activity has grown tremendously over the years and there are plenty of competitor analysis tools out there. These are 16 recommended tools that you can tailor to your own particular niche area. These up-to-date tools will help you analyse multiple areas of online marketing strategy, so you can review and compete more effectively.

5.5 Comparison of Best Practice Benchmarking Models

Source: [Scientia Socialis](#), Lithuania (date of information: 2011)

Download (PDF): [Comparison of Best Practice Benchmarking Models](#)

Application/Key learning points: Although this comparison is seven years old, it is relevant and useful for practitioners looking to understand the many types and models of best practice benchmarking. This article could have been featured in the research section, but it is more beneficial as a tool or approach because you can make an informed decision about which model suits your purposes. It provides a digested version of the main activities and processes in benchmarking, which may also help you adapt your own practices.

5.6 Global Benchmarking Network Sustainability Tool

Source: [Global Benchmarking Network \(GBN\)](#), (date of information: 2017)

Link: [Global Benchmarking Tool Sustainability Tool](#)

Application/Key learning points: The GBN Sustainability Tool helps companies to improve business performance through sustainable development. Based on the well-known Benchmark Index, Winning Moves and Fraunhofer IPK developed this enhanced tool to support the sustainability movement in society for long-lasting results. Be sure to check out the benefits of using the sustainability tool.

5.7 Personalised Benchmark Report

Source: [Towards Maturity](#), United States (date of information: 2018)

Link: [How to Use Your Personalised Benchmark Report](#)

Application/Key learning points: If you are looking for a quick benchmarking solution for a technology-enabled learning strategy, then this site is for you. It highlights key performance indicators; technology-related indicators; risk indicators; effective practice indicators; and, alignment and engagement indices – all in a straightforward way. You can then access all of your results in a personalised report. Watch the video to learn how to interpret the results.

5.8 Ten Steps to Best-Practices Benchmarking

Source: [KPMG](#), United States (date of information: 2016)

Link: [10 Steps to Best-Practices Benchmarking](#)

Application/Key learning points: KPMG's Charles Burke, an expert in benchmarking, asserts that benchmarking is not a choice but a necessity. He presents a salient ten-step process for best practice benchmarking, which typically means you would not only compare, but implement or adapt best practices to suit your organisational needs. He also includes a brief description of a popular classification scheme of benchmarking. In this scheme, there are four types of benchmarking: internal; competitive; functional; and, generic.

“All good to great companies began the process of finding a path to greatness by confronting the brutal facts about the reality of their business. When you start with an honest and diligent effort to determine the truth of your situation, the right decisions often become self-evident.”

*—Jim Collins, management guru and best-selling author,
United States*

6. How can success in benchmarking be measured?

6.1 Benchmarking Maturity Grid

Source: Centre for Organisational Excellence Research, New Zealand (date of information: 2018)

Download (PDF): [Benchmarking Maturity Grid](#)

Application/Key learning points: This maturity grid is a classic, and can be used as a simple self-assessment to gauge the level of development of your organisation's systems for benchmarking. It presents 12 characteristics of successful benchmarking approaches and classifies them in five stages of benchmarking maturity. This enables your organisation to assess its stage of development in terms of innocence/awareness, understanding, competence, excellence, and maturity.

6.2 Benchmarking Maturity Assessment

Source: [Global Benchmarking Award](#) (date of information: 2018)

Link: [Five-Factor Benchmarking Maturity Assessment](#)

Application/Key learning points: The Global Benchmarking Network's Global Benchmarking Award uses five factors to gauge the maturity of benchmarking in organisations. Organisations can use the factors (found in Section 1, "Your Benchmarking Approach"), to gauge their level of benchmarking maturity. If a high score is obtained, organisations should consider entering the GBN award for an independent assessment of where they stand.

6.3 Benchmarking Public Procurement Report and Scoring Indicators

Source: [World Bank Group](#), United States (date of information: 2017)

Download (PDF): [Benchmarking Public-Private Partnerships Procurement 2017 Indicators](#)

Application/Key learning points: The Benchmarking Public-Private Partnerships (PPP) Procurement indicators have been designed by experts and practitioners both in the field of public procurement and those well-versed in benchmarking. It is one of the largest benchmarking exercises undertaken. The Benchmarking PPP Procurement 2017 data are aggregated by themes from over 180 economies in all the regions of the world. Its purpose is to help policymakers evaluate their economies' PPP frameworks. The thematic areas include PPP preparation; PPP procurement; unsolicited proposals for PPPs; and, PPP contract management. The scoring methodology is found in Annex 2.

6.4 Benchmarking Tools and Assessments

Source: [The Middle Market](#), United States (date of information: 2018)

Link: [Benchmarking Tools & Assessments](#)

Application/Key learning points: This site provides middle-market companies with a benchmark from firms of similar industry, and/or revenue size, and/or across key metrics. The tools include a working capital benchmarking tool, a performance benchmarking tool, and cybersecurity risk self-assessment.

6.5 Outcome Measurement

Source: [United Way of Greater Union](#), United States (date of information: 2012)

Link: [Outcome Measurement](#)

Application/Key learning points: This assessment tool focuses on outcome measurement. It can help you to guide and track your organisation's progress in developing and implementing an outcome measurement system. Outcome measurement is a process for determining whether an organisation's activities are making a difference in the lives of the people they serve. Read the guide to determine how much of the assessment is required to be completed. Beginner organisations need only complete the first part, whereas those who already have an outcome measurement system can use the portions of the assessment as a review.

6.6 The Top 6 Strategic Benchmarks to Measure Company Performance

Source: [Market Research Blog](#), United States (date of information: 2016)

Download (PDF): [The Top 6 Strategic Benchmarks to Measure Company Performance](#)

Application/Key learning points: To identify performance improvement opportunities, it is important to base your assessment on not only what is happening internally, but what is happening to your competitors. According to the author, an established benchmarking consultant, the top six benchmarks listed will help you to understand both your internal performance, and how it measures up against those in competition with you.

6.7 EFQM Global Excellence Index

Source: [European Foundation for Quality Management \(EFQM\)](#), Belgium (date of information: 2018)

Link or Download (PDF): [Global Excellence Index](#)

Application/Key learning points: The European Foundation for Quality Management (EFQM) Global Excellence Index recognises the world's best performing organisations on their way to sustainable excellence. Organisations that have made the mark after an EFQM assessment are awarded on four levels: Platinum; Gold; Silver; and, Bronze. Organised according to their respective market sectors, read and benchmark against more than a thousand top organisations listed in the index, and find out what you could possibly do to improve your organisation's performance.

6.8 Organizational Excellence Assessment Tool

Source: [Organizational Excellence Specialist](#), Canada (date of information: 2016)

Link (PDF): [Organizational Excellence Framework Publication with Assessment Tool](#)

Application/Key learning points: The Organization Excellence Specialist has done a unique job of integrating several organisational excellence models into its Organizational Excellence Framework. In the framework, you will find implementation guidelines, and a comprehensive organisational excellence assessment tool in Appendix 3 of the publication. Use the assessment to gauge your organisational health and to benchmark your organisation with others. For a limited time, the actual full assessment is accessible [here](#) – your data will be treated with full confidentiality.

*“Most everything I’ve done,
I’ve copied from someone else.”*

*—Sam Walton,
founder of American retail chain, Wal-Mart*

7. What do business leaders say about benchmarking?

“Most everything I’ve done, I’ve copied from someone else.”

—*Sam Walton, founder of American retail chain, Wal-Mart*

“Benchmarking is a process of finding and implementing best practices. It is the desired output of the benchmarking process. It is only through an understanding of best practices that the way to improvement is revealed. The process of identifying, understanding and adapting superior practices from organisations locally and worldwide, within and outside the industry, helps an organisation improve its performance and achieve priority business results.”

—*Robert Camp, father of benchmarking*

“It is important to realise that benchmarking and transfer of best practices is to support learning and not just doing. In the long run organisations that delve in the transfer of best practices need to appreciate that the real benefit from new knowledge is not just the optimisation of existing processes and dealing with gaps in performance due to lack of knowledge, expertise and poor procedures, systems, etc. Closing gaps in performance is critical but building capability and strengthening the knowledge pool is even more critical for sustaining long term competitive advantage.”

—*Mohamed Zairi, pioneer in TQM and expert in benchmarking and best practice management*

“Measurement is the first step that leads to control and eventually to improvement. If you can’t measure something, you can’t understand it. If you can’t understand it, you can’t control it. If you can’t control it, you can’t improve it.”

—*Jim Harrington, CEO of Harrington Management Systems, quality and performance improvement guru*

“All successful companies are constantly benchmarking their competition. They have to know what they have to match up with day-in and day-out if their company is going to be successful.”

—*James Dunn, professor, United Kingdom*

“What a business needs most for its decisions—especially its strategic ones—are data about what goes on outside it. Only outside a business are there results, opportunities and threats.”

—*Peter Drucker, Austrian-born management consultant, educator, and author*

“All good to great companies began the process of finding a path to greatness by confronting the brutal facts about the reality of their business. When you start with an honest and diligent effort to determine the truth of your situation, the right decisions often become self-evident.”

—*Jim Collins, management guru and best-selling author, United States*

“I tell young entrepreneurs to use the leader in their industry and as a benchmark as they work to create their own brand. Don’t look at what your competition is doing - if you emulate the leader in your industry, you will achieve a higher level of engagement with consumers and make their buying experience richer.”

—*Steve Stoute, businessman and author, United States*

“Benchmarking is a necessary ingredient in innovation. Firstly, it is necessary to benchmark the extent of the innovation focus through a search. Defining the standard or benchmark is in itself a creative process so innovation and benchmarking are concepts that are interlinked from the very start.

Secondly, combining the creative and innovative talents of the innovation team members with the insights gained through benchmarking is a powerful and often revealing experience and may markedly improve the result. Further, the actual process of people going through the exercise opens their minds and brings about new ideas and thinking.”

—*Robert Camp, father of benchmarking*

8. Conclusion

As you will have read, benchmarking is the most effective and widely used way for companies of all sizes to improve performance and gain a critical advantage. Every organisation can learn and improve its business performance, no matter how strong its business model or end-of-year results. Even confirmed global leaders such as Xerox, Starbucks, and PepsiCo confirm the importance of benchmarking to staying one step ahead of their competition.

Obviously we are a little biased here at BPIR.com, but the TRADE methodology has helped organisations of all sizes to strengthen. The case studies available through the Dubai We Learn programme will show you many of its benefits (see 2.4 and 2.6). Dubai Municipality (3.4) and Fonterra (3.9) have also reaped significant rewards from its use.

Ultimately though, organisations have to decide what works in their own individual cases, and the awards in 2.1 will enable you to see many different benchmarking methods. The importance of backing decisions up with solid research should not be underestimated. Organisations like BPIR.com and The Global Benchmarking Network can help with this. The tools provided in Section 6 of this report will give you most of what you need to measure your own success.

Disclaimer: *Recent information has been included in this report to ensure our readers are kept up to date with the latest research; where possible, permanent links have been provided. At the time of publishing, all links are live. We apologise in advance for any broken links that might occur after publication due to matters beyond our control.*

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