Excellence One Toolbook for Benchmarking

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1.2. The Benchmarking Code of Conduct

Introduction
Benchmarking, the process of identifying and learning from Good Practices in other organisations, is a powerful tool in the quest for continuous improvement and performance breakthroughs. In order to ensure that benchmarking, the gathering of data and information from other organisations, cannot be accused of being either unethical or illegal, a Code of Conduct has been drawn up that can be used to govern benchmarking activities. This Code of Conduct was produced by an EFQM working group and is based on the one used by the American Productivity & Quality Centre (APQC) with the wording modified to take into account the rules of the European Union competition law. The layout and presentation have also been modified to provide a more positive chronological approach.

The purpose of this European Code of Conduct is to guide Benchmarking encounters and to advance the professionalism and effectiveness of Benchmarking in Europe. Adherence to this Code will contribute to efficient, effective and ethical Benchmarking and it is recommended that all parties to a benchmarking exchange are provided with a copy of this Code of Conduct at the outset and that their agreement is obtained to abide by its content.

1. Principle of Preparation

1.1 Demonstrate commitment to the efficiency and effectiveness of Benchmarking by being prepared prior to making an initial Benchmarking contact.
1.2 Make the most of your Benchmarking partner’s time by being fully prepared for each exchange.
1.3 Help your Benchmarking partners prepare by providing them with a questionnaire and agenda prior to Benchmarking visits.
1.4 Before any Benchmarking contacts, especially the sending of questionnaires, take legal advice.

2. Principle of Contact

2.1 Respect the corporate culture of partner organisations and work within mutually agreed procedures.
2.2 Use Benchmarking contacts designated by the partner organisation if that is its preferred procedure.
2.3 Agree with the designated Benchmarking contact how communication or responsibility is to be delegated in the course of the Benchmarking exercise. Check mutual understanding.
2.4 Obtain an individual’s permission before providing his/her name in response to a contact request.
2.5 Avoid communicating a contact’s name in an open forum without the contact’s prior permission.
Why would you like to use this tool (deliverables)?
- To harvest information in the public domain that is relevant to the benchmarking study.

When would you use this tool (context)?
- When you want to identify potential benchmarking partners.
- When you want to gather relevant information in the public domain before commissioning primary research or participating in site visits.

How to make best use of the tool (tips and traps)?
- Consider using expert help when performing searches of online databases.

What could be done next?
- Contact the potential partners and create a screening survey.
- Incorporate any good practice learning into the subject process.

How to use this tool (steps)?

Once the objectives of the benchmarking study have been defined, and the process to be benchmarked selected it is necessary to gather the relevant information that is already in the public domain in order to identify potential benchmarking partners and information about good practice that may provide answers.

1. Work upwards through the information hierarchy, obtaining as much information as possible before moving on to the next level.

2. Remember that conference brochures are useful sources of benchmarking information - the subjects and speakers can be indications of where good practice exists.

3. Use the EFQM resources - the highly rated practices and approaches of EQA winners and applicants are available in the best practice database.

4. Before commissioning expensive third party research studies, ensure that the required data cannot be obtained from the public domain.
Secondary Information Sources

Example

Primary Research
- Screening Survey
- Site-Visit Questionnaire

Secondary Research
- Internal Information
- Original research
- Quality Organisations
- Public domain information
- Low-key monitoring

Personal Contact
- Visit to partner’s site; conference calls, telephone conversations with partners

How they make it work?
Who is Excellent?
Who is Good?
Who does it?
How they do it?
Checklist for Analyse Phase Completion

How to use this tool (steps)?

1. Print the checklist. Give a copy to each member of the benchmarking team and identify who is accountable for each task.

2. Use the checklist as one of the project management tools to monitor progress.

3. When all activities are completed satisfactorily, schedule the phase checkpoint meeting.

Why would you like to use this tool (deliverables)?

- To ensure that all activities are completed before proceeding to the next phase of benchmarking.

When would you use this tool (context)?

- During the Analyse phase, as a memory aid to ensure that key activities are not overlooked.
- To prepare for a checkpoint review with the sponsor and management team.

How to make the best use of the tool (tips and traps)?

- Treat the checklist as a project management tool. Add other items to it if required so that it is the single checklist document in use.

What could be done next?

- Hold a planning meeting with the team to define the activities to be conducted in the next phase - a phase launch meeting.
# Checklist for Analyse Phase Completion

**Improvement activity review checklist**

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<tr>
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<th>Relevant?</th>
<th>Achieved?</th>
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<tr>
<td>1.</td>
<td>A debriefing of the benchmarking team was held as soon as possible following the benchmarking meeting.</td>
<td>☐</td>
</tr>
<tr>
<td>2.</td>
<td>A detailed analysis of the data has been completed.</td>
<td>☐</td>
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<tr>
<td>3.</td>
<td>A root cause analysis of each performance gap has been conducted and all the root causes have been established.</td>
<td>☐</td>
</tr>
<tr>
<td>4.</td>
<td>Future performance trends have been determined and target performance levels established.</td>
<td>☐</td>
</tr>
<tr>
<td>5.</td>
<td>Possible improvements have been developed.</td>
<td>☐</td>
</tr>
<tr>
<td>6.</td>
<td>The supporting business cases have been developed for each alternative.</td>
<td>☐</td>
</tr>
<tr>
<td>7.</td>
<td>The alternative solutions have been evaluated and the best has been selected.</td>
<td>☐</td>
</tr>
<tr>
<td>8.</td>
<td>Detailed implementation plans have been established for each project.</td>
<td>☐</td>
</tr>
<tr>
<td>9.</td>
<td>An Analysis phase checkpoint meeting has been held with the sponsor and senior management team and agreement has been reached on the selected solution, the resources and timescales required for implementation, and the implementation plans. Approval has been given to proceed to the Adapt phase.</td>
<td>☐</td>
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Read more on the Excellence One Toolbooks series:

- Excellence One Toolbook
- Excellence One Toolbook for Self-Assessment
- Excellence One Toolbook for Benchmarking

Coming next Toolbooks for Employee Relationship Management, Customer Relationship Management, Change Management...