



What is benchmarking?

Benchmarking is a systematic process for comparing performance or processes in different organisations, or between different parts of the same organisation in order to learn how to do things better. The purpose of benchmarking is to improve performance or service by identifying where changes can be made in either **what** is done or **how** things are done. Benchmarking should be more than just ranking yourself against others or creating league tables, effective benchmarking should:

- focus on excellence
- involve detailed comparisons
- include sharing information openly between comparators to look at how performance is achieved
- involve front line managers and staff in seeking out and implementing change.

Why should my organisation be benchmarking?

Performance indicators give an indication to the level of performance, but it is benchmarking that can pinpoint particular areas of good or poor performance. This then enables you to set informed targets for performance improvement.

Benchmarking provides the means to answer key questions like:

- How are we performing?
- Are we performing better year on year? (What is our direction of travel?)
- How does our performance compare with our peer organisations?
- Can we learn anything from other organisations?
- Are we providing value for money?

In addition it:

- provides realistic and achievable targets
- creates an atmosphere conducive to continuous improvement
- creates a sense of urgency for improvement
- confirms the belief that there is a need for change
- helps to identify weak areas and indicates what needs to be done to improve.