

### **Benchmarking – Best Practices**

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# **Agenda**





- 1. Why?
- 2. How
- 3. Key "Best" Practices
- 4. About Us

# **Showing Results**





### Sewer / Water Co.

Results

- Sewer blockages reduced 50% free tree removal program
- Sewer spillages reduced 40%

## Other Examples



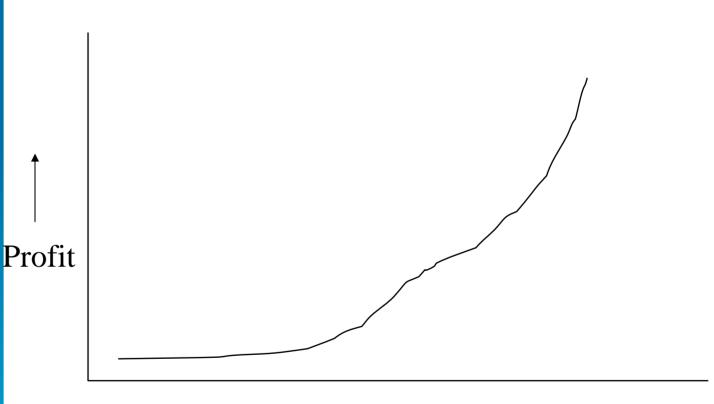


Australia's largest General Insurer & Roadside Assistance

- Costs of processes reduced by 30% - staff freed from back office to serve customers and to cross sell to escalate profit
- Lean Manufacturing applied to Service Industry







Increasing No of Products for each existing Customer





### **Classic Study**

Airline benchmarking with race pit crew

- -Improved profit,
- -by halving turn-around time
- -to free up time and enable more frequent services



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# Benchmarking





# A Business Excellence tool for finding, adapting and implementing outstanding practices in order to achieve superior performance.

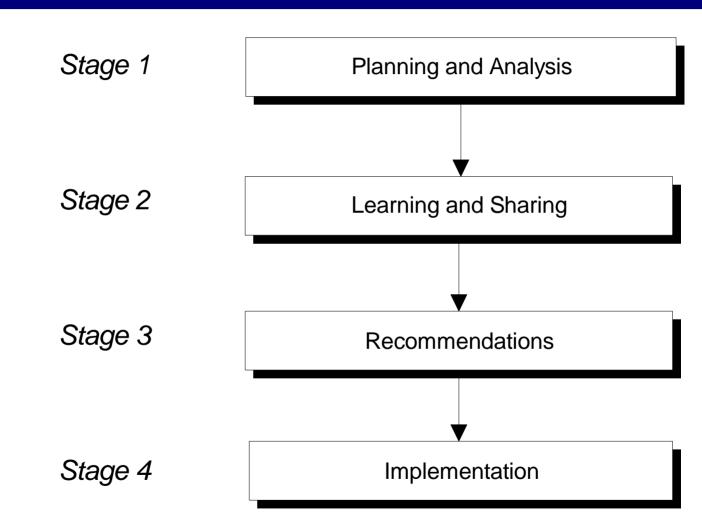
Benchmarking comprises prioritisation of the *most important* strategic improvement need (**the why**), measurement (**the what**) & practices (**the how**). Learning the How's from **different industries** to accelerate improvements.

Re-measure tracks performance improvement Use proven **Code of Conduct** 

# BASIC BENCHMARKING METHODOLOGY Output Description: BENCHMARKING METHODOLOGY Output BENCHMARKING METHODOLOGY BENCHMARKING METHODOLO

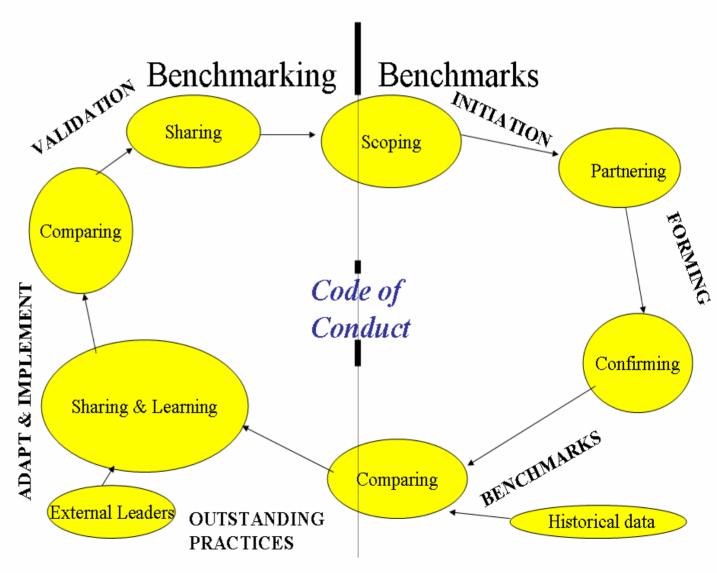












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# **Finding Partners in Other Industries**













**Code of Conduct** 

### **Prioritising**









**Determining Topic & Scope / Coverage** 

### **Avoiding Common Trap**

#### for Benchmarks



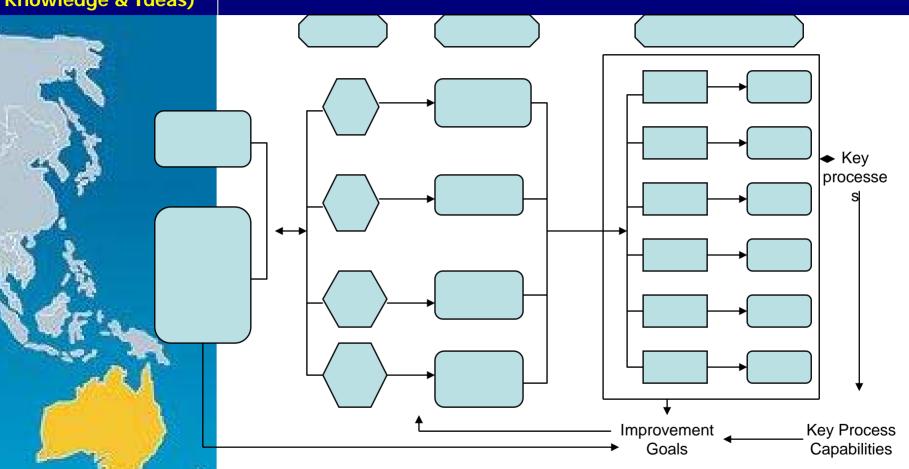






# A Model for a Business Plant BENCHMARKING FRAMEWORK STATES





### A Systems View to Ensure Right Focus





#### **Customer Value Chain**

**HSE&C** management **Resource Planning** PROCURE+ **Production** MAKE+DISTRIBUTE Maintenance (Capability Assurance) +SERVICE **Supply Chain management Information management Project delivery Support services Core Activities** What we do to create value. **Benchmarking to Improve** 

#### **Looking Outside**





- Benchmarking looks OUTSIDE the organisation
- Benchmarking accelerates improvements

   you don't have to invent the best
   practices yourself
- You can avoid the implementation pitfalls and thus achieve results more quickly – further ACCELERATED IMPROVEMENT

Systems & management process feedback re

risk management



(Connecting People, Knowledge & Ideas)													
Comparing the Scope	Importance							Performance					
Risk Management	Not at all			Extremely				Very poor			Excellent		
Purpose and scope of risk management	1	2	3	4	5	6		1	2	3	4	5	6
Attitude towards risk management	1	2	3	4	5	6		1	2	3	4	5	6
Implementation of risk management policy	1	2	3	4	5	6		1	2	3	4	5	6
Assessment of risks	1	2	3	4	5	6		1	2	3	4	5	6
Control processes to mitigate risks	1	2	3	4	5	6		1	2	3	4	5	6
Actions taken once risks are identified	1	2	3	4	5	6		1	2	3	4	5	6
Communication regarding risk management	1	2	3	4	5	6		1	2	3	4	5	6
Having someone responsible for risk management and conveying this	1	2	3	4	5	6		1	2	3	4	5	6
Appropriate level of organizational responsibility to coordinate risk management	1	2	3	4	5	6		1	2	3	4	5	6

#### **Comparing Practices**









**Code of Conduct** 

### Learning + Sharing





- How you do it
- How well you do it
- How you know how well you do it
- Improving the way you do it

### What People Like You Say





- Learned about what I didn't know I needed to know as well as what I knew I needed to know
- Think Tank Leadership Discussion
- Harvesting Best Practices and Ideas
- Avoiding tunnel vision best practices from other industries
- Great Networking
- Excellent Group Discussions
- Despite our Different Industries we all have Similar Processes and CAN Help one another
- Enjoyable day with many opportunities to use the learnings in a practical sense
- Topical subject that the shared experience enhanced knowledge of
- Strong selection of speakers
- Good cross section of industry and government
- Good quality presenters with good learnings and a way forward
- Identification of learning needs

#### **Outcomes for People**





- Learnings to Action
- Engaging Presenters and Presentations
- Quality Presentations
- Being Challenged
- Results Focussed
- Fostering Participant
   Interactions
- Good Support Facilities

#### **Benchmarking Feature**





Learning Innovative
 Knowledge for Strategic
 Large Scale Improvements













### Realising / Delivering Business Benefits using Project Management

- Scoping
- Time / Schedule management
- Cost control
- Quality control
- People focus
- Communications
- Risk control
- Procurement
- Integration





#### **Outcomes**

#### Accelerated (Quantum Leap) Innovations



### Common Benchmarking Topics





- Customer Centricity
- Communications
- Employer of Choice Retention / Attraction
   Well Being of Employees
- Innovation new combinations of knowledge - challenge existing concepts focus - real customer needs
- Results from Business Excellence
- 6 Bottom Lines Passion, Safety, Environment, Social Responsibility, Good Day's Work, Variation control
- Sustainability
- Benchmarking / Learning





# Success Factors in Benchmarking

- 1. Believing there is a need to change
- 2. Top management support and commitment to change
- 3. Determining what needs to be changed based on strategic imperatives
- 4. Putting aside preconceived ideas and being open to learning
- 5. Technical support for the teams
- 6. Developing a picture of what it should look like after the change

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# About Benchmarking Partnerships





Benchmarking Firm based in Australia with Global Reach

We Connect People, Knowledge and Ideas

# About Benchmarking Partnerships





#### **Mission**

We Partner people in different organisations and different industries so that through shared learning and partnership networking they can rapidly improve

- 80 studies 5000 contacts since 1995
- Own Australian Quality Council benchmarking
- Appointed Asian Productivity Organisation Benchmarking experts
- Members of Global Benchmarking Network Community
- Joint Projects with FTPI (Thailand), APQC (USA), SPA (Singapore), NZBEF & BPIR.com (New Zealand), TPAF (Fiji). PSC (Vanuatu), SAI Global

# About Benchmarking Partnerships





#### **Initiatives for 2007**

- Business Excellence Study Tour to Australia involving over 50 people including 22 people from a number of Asian countries
- Benchmarking Compendium of Best Practices regarding Customer Centricity
- Partnership Agreements (formerly called Service Level Agreements) and Measurement Methods and Compendium of Best Practices for internal suppliers
- Benchmarking of Contractors' Performance
- One page Business Plans, Benchmarking for Plan Deployment and Performance Management training for 90 senior executives
- Offered customers access to a new networking learning service, our 2hr luncheon networking forum regularly held across the eastern seaboard of Australia in capital cities.

# About Benchmarking Partnerships





#### **Initiatives for 2008**

- Business Excellence Study Tour (B.E.S.T.), Better Business Conference and Australian Business Excellence Awards 16 to 20 June 2008 visit and learn from 2007 and 2008 Award winners
- Achieving Results from Deploying Business Excellence - Benchmarking Networks in different countries
- Customer Centricity orienting the whole organisation towards the external customer – Workshops, Compendium of best practices, Training
- International Roadshow for GBN commencing in Toronto, Canada – with NQI Canada – 22 & 23 April 2008
- Project Management to Implement
   Improvements from Benchmarking workshops and training
- Training How to do Benchmarking Well

#### In House Best Practice Knowledge

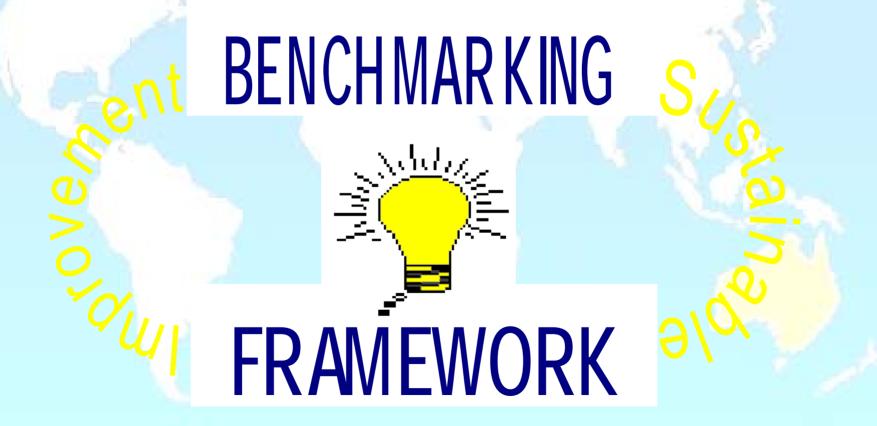




- How to do Benchmarking well
- Business outcomes/ strategy mapping and performance measurement
- Customer Centricity focusing your whole organisation on the external customer
- Simple one page Business Plans that work and associated Performance Management
- Strategic Improvement of Processes
- Systemic view of your Business to identify priorities for improvement, KPIs and core processes
- Variation management
- Sales Management and Selling
- Six Sigma
- Innovation
- Simple One Page Service Level Agreements now called Partnership Agreements
- Basic Quality Tools (a lost art?) and their use
- Your own tailored Excellence Model to reinforce your Values and Principles that Matter
- Capability Assessments eg Employee Climate,
   Communications, Excellence, Project Management
- Corporate Services
- Teamwork
- Communications



### Benchmarking Partnerships







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