

THE GLOBAL BENCHMARKING NETWORK

MEMORANDUM OF UNDERSTANDING

2017

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Benchmarking organizations have a mutual interest in promoting benchmarking as an improvement process. As separate entities these organizations may have independent memberships, suites of activities and geographic coverage. Nonetheless, it is in the mutual interest of the respective organizations to promote open communications and pursue certain cooperative efforts. Hence they have agreed to an affiliation known as the Global Benchmarking Network, herein referred to as the GBN. This memorandum to members includes and is limited to the following:

1. VISION, MISSION AND VALUES

GBN Vision (What do we want to become, look like in the future?)

For the GBN to be recognised as *the* Global hub for benchmarking with active representation in all countries.

GBN Mission (Who are we, what do we do, for whom and why?)

The GBN is a global network of organisations and experts focussed on promoting and facilitating the use of benchmarking and sharing of best practices by helping each other, and working together.

VALUES (What do we believe in, want members to abide by?)

Helping each other – as evidenced by a willingness to share and assist other members with their requests

Working Together – as evidenced by participation in team or group activities and projects as appropriate and attendance at the annual meeting

Professionalism – as evidenced by handling all relations between GBN members and GBN member clients in a respectful and professional manner.

Excellence – as evidenced by developing expertise in benchmarking, leading or managing benchmarking initiatives and, promoting the role of benchmarking in performance improvement

Ethical Behaviour – as evidenced by following the Benchmarking Code of Conduct and respect for confidentiality.

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2. GOALS

The GBN reviews its goals and measures on an annual basis. Its current goals are:

1. To attract new members: to recruit 5 new members per year

2. To engage current members in GBN activities

- Increase the members engagement in GBN activities
 - o AGM: to increase the members attendance at the AGM
 - o No. of (collaborative) projects
 - o No. of (collaborative) publications
 - o No. of (collaborative) events
 - o Increase feedback / response to GBN newsletter, survey, etc.

3. To increase the awareness and use of benchmarking globally

- No. of publications; projects, public events (measurement e.g. via website statistics; downloads; count the attendees; number of GBN members working on a project, contributing to a publication, hosting an event, responding to a survey;)

4. To explore new directions (products / innovations)

- To develop / operate a benchmarking project service and/or
- To develop a plan of how to achieve the vision (innovatively)

3. CORE BENEFITS

The GBN has been formed to promote and support the following core benefits for its members:

- **Awareness:** Honor the value of benchmarking and celebrate the global distribution
- **Understanding:** Support to create the premier body of knowledge in benchmarking (its understanding and application)
- **Sharing:** Share experiences, learn from each other and assist in the sharing of best practices globally
- **Celebrating:** Celebrating the contribution of GBN members and organisations that add new knowledge to the field of best practice sharing and benchmarking
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4. CORE SERVICES

Awareness

- **GBN Benchmarking Code of Conduct and Values** – Members are encouraged to follow the GBN benchmarking code of conduct and demonstrate the values. As a matter of courtesy, members agree to collaborate with other member's

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when making contact with their stakeholders, clients, seeking engagements, promoting meetings and/or engaging in other benchmarking activities.

- **GBN's website** – The GBN manages the website, www.globalbenchmarking.org. This website contains previous GBN publications, minutes of meetings, and provides the contact details and organisation profiles of the GBN members.
- **Meetings** – The GBN organises an Annual General Meeting each year which all GBN members are invited to attend. This meeting is between one to two days in length. At the meeting, members share experiences, discuss potential benchmarking projects and vote on key issues such as the country to host the next conference. See section 8 of the MoU for further information.
- **Promotion** – All members are encouraged to inform other members of the events that are taking place in their country and to engage in co-promotion. Each member is encouraged to cite and publicise their membership in the GBN in order to raise both their profile and the GBN. See section 8 of the MOU for further information on the use of the GBN logo and GBN endorsement.
- **Benchmarking Roadshow** - that brings experts on benchmarking to a GBN member's country to share experiences, promote benchmarking and engage in site visits

Understanding

- **Projects** – The GBN encourages and provides financial support for projects that assist the GBN to achieve its mission and vision and grow the body of knowledge in benchmarking. A limited amount of funding is available. See section 7 of the MoU for further information.
- **Special projects** – The GBN supports member-funded special projects being conducted by members that contribute to understanding and promote the application of benchmarking.

Sharing

- **Publications** – The GBN produces a twice yearly newsletter and encourages the exchange of news and publications between members.
- **Best practice website** – Country and Corporate Members are allocated two free passwords to access the best practice website – www.bpir.com. Other members are given one free password. This website contains benchmarks and best practices from all around the world and is a special member benefit for GBN members.
- **Benchmarking Partner Search** – Members are encouraged to use the GBN Network when seeking assistance, advice and searching for benchmarking partners. Members are expected to help each other especially when they receive requests for benchmarking partners as a key strength of the network is its global reach and ability to help organisations conduct benchmarking.
- **Webinars and Knowledge Sharing** – Members are encouraged to participate in the GBN's regular GoTo Knowledge Sharing Meetings at which members discuss issues relating to benchmarking and an expert's Spotlight Presentation is given.

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Celebrating

- **International Benchmarking Conference** – Each year the GBN organises an International Benchmarking Conference. This is typically organised by the host country for the Annual General Meeting. See section 8 of the MOU for further information.
- **Global Benchmarking Award and International Best Practice Competition** – Each year the GBN organizes Global Benchmarking Award to recognize those organisations that have embedded a benchmarking culture within their organisation. The GBN also encourages GBN members to participate in the International Benchmarking Competition – this event shares the positive results associated with benchmarking.

5. MEMBERSHIPS

The GBN offers different kinds of membership for organizations and individuals.

Country member: A country member is a provider of benchmarking services. By becoming a GBN member he (she) earns the right to represent the GBN in his respective country. The country member that is the first to join from a country has to agree to another organisation from the same country joining as a country member before its membership application can be assessed by the GBN. If the current country member does not respond to the notification within two weeks then it will be assumed that they have given their consent for the membership application to be assessed. Only active country members, which have attended a GBN meeting in the last three years, may use their veto right. New members will pay an initial entry fee. All members will pay an annual fee for the core services. A full member pays 1000€ joining fee and 500€ annually.

Corporate members: Corporate members execute benchmarking in their enterprise. They receive the same services as GBN members but do not get exclusive rights to represent a country. 1 year of free membership is given to GBN Award Finalist, 3 years of free membership for the winner. The annual fee is 500€, there is no joining fee.

Individual members: Individuals that work in the context of benchmarking. They receive the same services as GBN members but do not get exclusive rights to represent a country. The annual fee is 200€, there is no joining fee.

Honorary member: Former GBN Chairmen and Board Members and other distinguished individuals that contributed to the progress and promotion of benchmarking, suggested and elected by GBN Board. Appointments of honorary associates proposed by a GBN member will be considered on their individual merits. GBN “honorary association” is for individuals who have helped the GBN to prosper or who are recognized Benchmarking expert. GBN “honorary associates” have the right to participate in the GBN sharing activities.

Student: Students are given free membership to the GBN if they participate in research that will support the GBN’s vision and mission. This is likely to require the student contributing a paper or undertaking some research on behalf of the GBN. Student applications need to be approved by the GBN Board.

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New members can be nominated or apply for membership at any time. To apply for membership, applicants need to provide a written statement that if accepted they will agree to abide by the GBN Memorandum of Understanding, and the Benchmarking Code of Conduct.

Potential members need to provide evidence that there is alignment between their present and future benchmarking activities with that of the GBN's vision. They are expected to provide evidence in the following three areas, now and in the future:

- a) Level of expertise and activities in benchmarking by reporting their benchmarking activities yearly to the GBN.
- b) Types of ethical practices used.
- c) Examples of business benefits achieved through their benchmarking activities.

Membership applications are assessed by all GBN members. A majority of members need to approve an application before an organisation is invited to join the GBN. A "no response" or "no vote" is considered as support for the application.

6. GBN STRUCTURE

The GBN's honorary lifetime President is Dr Robert Camp.

The GBN has a Board consisting normally of 6 people if all positions are filled. At each AGM the positions of the Board members are contestable. If a person wishes to stand or stand-down as a board member it is recommended they inform the Chairman or Secretariat prior to the AGM. The voting (by a majority process) is at the end of the AGM by only those physically attending the AGM. If less than 6 people physically attend the AGM voting can be extended to include on-line participants or conducted later via email (the method used can be decided by majority decision of those physically attending the AGM).

If the GBN Board has not agreed on a date for the AGM by the 1st of December of the current year, the Secretary will ask all members if they would like to stand for a board position until 7th of December of the current year and execute an election of officers among all members until 15th of December (e.g. via E-Mail) with at least 3 days to respond.

The Board's role is to oversee the running of the GBN and to have the ability to make decisions throughout the year without waiting for the Annual General Meeting. Board decisions require a majority vote by board members. Each GBN Board member shall give an outline of his/her mutually agreed planned activities with performance measures in place to check success. These activities must be submitted within 12 months after election, reviewed by the GBN Chairman and then have the approval of the majority of the other board members.

Approval from the majority of GBN members must be sought for all decisions regarding the strategy of the GBN or expenditure of finances greater than 5,000 Euros (as in funding projects, see Section 7).

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Board Structure:

1. Chairman – The chairman will lead the GBN towards its vision through working closely with the board and the GBN's members.

In particular the Chairman shall:

- Instigate regular reviews of the GBN's direction, strategy and services.
- Provide assistance to the GBN's board members in their roles.
- Co-ordinate an agenda for the annual meeting.
- Retain the authority and accountability for the disbursement and receipt of funds. This authority, but not accountability, may be delegated to the Secretariat.
- Use the position at major events (such as the GBN's International Benchmarking Conference) to actively promote the GBN's vision and services to GBN members, potential members and to organisations that are interested in benchmarking.

2. GBN Secretary - A Secretariat shall administer the GBN. Duties will generally include:

- Marketing (administration of website, creation of content, Newsletters)
- Support in recruitment and admission of new members
- Financial records, budget, transactions, reminder process
- Organization of interaction among GBN Board and members (online meetings, Board Meetings, Annual General Meeting)
- Administration of GBN Projects

3. Membership Growth and Marketing Director.

In particular, the Membership Growth and Marketing Director shall:

- work closely with the other Members of the GBN Board to encourage new, existing and potential future GBN Members to actively participate in developing and implementing strategic benchmarking activities
- coordinate membership recruitment campaigns as appropriate
- develop a pipeline of potential new GBN members with the assistance of the existing GBN membership
- support the proper and effective implementation of benchmarking to further strategic goals for organisations, governments, peak bodies and industry leaders

4. Business Development (new activities) Director.

In particular, the Business Development Director shall:

- Work with the GBN Board to define long-term strategic goals and targets

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- Work with the GBN Board and members to:
 - o build key client relationships
 - o build supplier and partner relationships
 - o identify business opportunities
 - o maintain knowledge of current market conditions
- Work with the GBN Board to negotiate and close business deals (e.g. clients, suppliers, partners, projects, conference and award events)

5. Membership Retention and Engagement Director.

In particular the Membership Retention and Engagement Director shall:

- Assess the member perceptions and expectations of the GBN
- Engage members through on-line activities
- Encourage GBN members to share / participate in local country Benchmarking events

6. Corporate Members Director.

In particular the Corporate Members Director shall:

- Assess the corporate members' perceptions and expectations of the GBN
- Make suggestions to the GBN Board on how to improve services for corporate members
- Encourage new, existing and potential future corporate members to actively participate in the GBN

Observer

The Observer takes a neutral position within the GBN Board and gives objective comments for decisions among the GBN Board. Also, he/she reminds the GBN Board of the GBN values and the agreed MoU in case it is necessary. He/she does not have a vote.

7. PROJECTS

Projects may from time to time be proposed by GBN members. These projects shall support the vision and mission of the GBN and other provisions of this agreement. They may apply for funds from the GBN but unfunded projects with intangible support from the GBN are strongly encouraged. They may be subscribed to by all or some of the members who will in turn fund such efforts or seek funding from the GBN. Formal GBN projects will be conducted in accordance with the following procedure.

- Maximum funding available for one project: 5.000 Euro. Needs to be approved by the GBN Board. Approval is granted based on a majority vote by board members. Board members must abstain from voting if they put forward a proposal. Prior to board member approval it is recommended that the proposal is put forward to all GBN members for their feedback. GBN board members can then consider this

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feedback before making their own judgement on whether to approve the application.

- If the funding required for a proposed project is more than 5.000 Euro all GBN Members must be asked (via e-mail or at the AGM); decision by simple majority
- The maximum amount made available for projects per year is 10.000 Euro. In exceptional circumstances due to the importance of the projects (as judged by the majority of board members) and if finances allow then funding may go beyond this level.
- Members can put forward project proposals at any time of the year. These will be evaluated by the board within a period of 15 working days. However, members will be encouraged to submit proposals for two time periods in the year (15 February and 1 July) so that the GBN Board can evaluate proposals at the same time. Proposals received earlier than these deadlines may be asked to wait until the deadline dates unless they are considered by the board to be of an urgent nature or the funding requested is small.
- During the execution of a GBN project a report has to be filed every 6 months and the continuation of the project has to be confirmed by the GBN Board. In case of non-sufficient results the GBN Board can stop a project, the work that has been executed until this point of time will be paid as a share of the overall project.
- Note: Projects will only be considered for funding if a Funding Application Form has been completed. This form is available from the GBN website or the Secretariat.

8. CONFERENCE, ANNUAL GENERAL MEETING and BOARD MEETING

A member may request to host the Annual General Meeting, a GBN Board Meeting and Benchmarking Conference for a particular year. Usually such requests are encouraged at the AGM but they may be submitted at any point in time and voted upon.

Once the host country's request has been accepted an MoU is formed between the host country and the GBN.

The basis of the MoU is as follows:

- The AGM is typically for one to two days and the Board Meeting half to one day. The GBN designs the Agenda for the AGM and Board Meeting in consultation with the host country (so that any special sessions requested by the host country can be accommodated). The host country arranges and pays for the venue for the AGM and Board Meeting and arranges and pays for all refreshments except for breakfast and evening dinners. The GBN's annual dinner is paid for by the GBN. The Board Meeting takes place ahead of the AGM.
- The conference is typically for two days. The GBN licences the conference and requests a minimum fee of 10,000 Euros and 20% of the profits. Variations on this amount can be proposed each year by the country(s) proposing to host the conference. Therefore countries which offer the most favourable terms to the GBN are more likely to be selected as future hosts.

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For the conference the GBN will provide a number of speakers from GBN member organizations. They may be invited to present or they may volunteer a presentation. GBN speakers will pay for their own travel expenses and their accommodation expenses for two nights will be paid by the GBN. GBN speakers will not charge speaker fees. Free entrance to the conference and all conference related dinners and activities will be provided by the host country for one GBN Member delegate from each Member organisation and the GBN Member speakers. (Note the GBN will try to encourage Dr Robert Camp, Honorary Lifetime President of the GBN, to provide a keynote speech at the conference. The GBN will pay for Robert's accommodation and travel expenses).

- The host country is expected to market the conference locally and the GBN will focus on the international market. However, it is also in the host country's interests to promote it internationally if it has the means and networks to do so. Note, it will be in the interest of all GBN members to actively promote the GBN conference as all will benefit from the increased profile of benchmarking and the income generated from the conference.

Further details on the responsibilities of a host country can be obtained from the Secretariat or Chairman of the GBN.

9. USE OF GBN LOGO

All GBN members are encouraged to add the GBN logo (and add the words "Member of" as appropriate) to their business cards, website, brochures and promotional materials (for example, for conferences and events) to publicise they are a member of the GBN. GBN members are encouraged to state that they are a GBN member but they should not state that the GBN endorses or recommends the GBN member's services (as the GBN does not have a system to assess each member's individual services).

10. RECRUITMENT OF NEW MEMBERS TO THE GBN

To encourage current members to recruit new members to the GBN an incentive scheme is provided as follows:

- If a current Country member helps to attract a new Country, Corporate or Individual member to join the GBN then they will receive the value of one years' membership for each new member as a total. This "reward" will help to recompense the current GBN member for the time spent on recruitment and encourage them to recruit others. For the payment to be activated the new member will need to indicate on the joining form that the current member(s) supported their application. If more than one Country member assisted a new member to join and this is recorded on the joining form the total amount of one years' membership will be split equally among the mentioned members.
- The application form for new members has a question asking which current GBN member supported their application. In cases where the applicant organisation

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finds out about the GBN through other means then the whole of the joining fee goes to the GBN.

11. RECEIPT AND DISBURSEMENT OF FUNDS

- Funds are derived by an annual fee and a one time entry fee paid by each member and other sources as approved as the annual meeting
- Funds will be received and disbursed by the Secretariat with oversight from the Chairman.
- All financial transactions and records shall be made in accordance with general accepted accounting principles.
- The Secretariat and Chairman are responsible for assuring jointly and individually, that the GBN does not operate in a deficit condition.

12. ANNUAL MEETING

All GBN members agree to attend or be represented by proxy at the annual general meeting where the business of the GBN shall be conducted. The date and location of the future Annual General Meeting is decided if possible on the AGM by majority vote, otherwise it is decided via E-Mail vote. The GBN Chairman will chair the meeting and business shall include, but not limited to, the following:

- Nomination and affirmation of a Chairman for the coming year from among the member Centre representatives
- Nomination and affirmation of a Secretariat for the coming year
- Nomination and affirmation of all Board members for the coming year
- Ratification of an annual report of expense and forward budget prepared by the Secretariat
- Setting of time and place of next meeting
- Such other business as may come before the group.

13. VOTING RIGHTS

Members need to be physically present to cast their vote unless there are less than 6 people physically attending the AGM. In this case voting can be extended to include on-line participants or conducted later via email (the method used can be decided by majority decision of those physically attending the AGM). Such issues (not concerning projects) shall require the following:

- In all matters a simple majority. In case of a split decision, the chairman's vote will count double.

14. MEMBERSHIP FEE

New members will pay an initial entry fee. All members will pay an annual membership fee. All fees are established at the annual meeting.

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Membership fees cover the period 1 January to 31 December of the year that they are paid for. Membership fees are invoiced in January of the current year and must be paid within 90 days. Failure to do so put the member under investigation of the board which decides on the consequence by majority vote. Consequences might include a suspension from the GBN.

If an organisation joins the GBN during the year they only pay the membership fee at a pro-rate rate for the months remaining (currently 50 Euro per month).

If a member will not maintain its membership there must be a written notice to the GBN Secretariat until January 10th the latest (if not, the membership will be prolonged automatically for one (calendar) year).

15. TERMINATION

A member's membership may be terminated following 30 days written notice to the other members, upon a two-thirds majority vote of the other members or upon failure to pay annual fees within 30 day of the due date. If such termination is made, it is further agreed that activities currently underway (i.e. a joint event) will continue to run their normal course to completion and that any promotional material (i.e. publicity) may be used until exhausted. Thereafter, use of the GBN logo or member status will cease and desist. Remaining GBN Centres will cease referring to the terminating member as a member with the GBN.

16. DISSOLUTION

The GBN members may at any time or for any reason by giving written notice propose the dissolution of the GBN to be considered at the next meeting or by email ballot upon two-thirds majority vote. In the event of dissolution of the GBN any surplus funds will be returned to the members in the proportion to the original contribution.

GBN Members agree to this document in the spirit of co-operation and for the benefit of the member organisations. This Memorandum of Understanding is not signed nor is it considered legally binding in any jurisdiction.