

BENCHMARKING IN HIGHER EDUCATION: A FRAMEWORK FOR BENCHMARKING FOR QUALITY IMPROVEMENT PURPOSES

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ABSTRACT

This paper provides an introduction to benchmarking with a focus on the higher education sector. It reviews approaches to date, with reference to the literature and introduces a framework approach, developed as a collaborative project between the Universities of Melbourne and Tasmania. The Framework was trialled in 2004 amongst seven Australian Universities by centres charged with responsibility for supporting teaching and learning.

1. INTRODUCTION

This paper outlines a conceptual and historical context for benchmarking and its use in higher education including a discussion of the benefits and pitfalls of benchmarking. Within this context, we report on a project involving seven Australian universities, to trial and refine a framework, developed initially by the Universities of Melbourne and Tasmania.

The further development and trial of the framework has been supported by the Australasian Council on Distance and E-Learning (ACODE), with a view to providing a framework for benchmarking teaching and learning services provided by central university teaching and learning units. The purpose of the framework is to compare performance in agreed priority areas with those of their peers (benchmarking) for quality improvement purposes (comparing past and present performance). The benchmarking process is used to identify areas where an institution's performance is below that of its peers, with institutions partnering to share information against shared performance indicators, to assist in the development of strategies for improvement. Two of the key design criteria for this framework were that it be a) simple to use and b) affordable. It is generic in nature and could readily be used by any service unit for purpose of benchmarking for quality improvement purposes.

The topic selected for the trial by the seven institutions was that of **"Professional/staff development for the effective use of technologies for teaching and learning"**. Preliminary findings are indicated in this paper and by the time the paper is delivered the authors will be able to share the findings of the trial and any recommendations for improvement of the framework.

2. DISCUSSION

2.1 WHAT IS BENCHMARKING?

Benchmarking is a quality process used to compare the performance of an organization with the performance of other organizations involved in the same activity. Fielden (1997: 1) has defined it as 'very simply a means of comparing one's performance with ones' peers.' Benc (2003) has defined benchmarking as:

A business excellence tool for finding, adapting and implementing outstanding practices in order to achieve superior performance. Benchmarking comprises measurement (the what) and practices (the how). And it tells us how well we are performing, defines how good we need to be (a practical vision), how to get there (a roadmap) and it needs to link to our mission, vision and values.

The purpose of benchmarking is to improve the performance of the area or service unit. Benchmarking contributes to accountability, provides a tool for learning, provides a basis for research for improving practice, allows for better understanding of operational systems and processes, and energises the need for change. Perhaps most important of all, however, is that benchmarking helps to establish priorities for change and resource allocation and it contributes to goal setting.

Jackson and Lund (2000:6-7) identify the following features of benchmarking activity:

- Implicit or explicit (where the former is a by-product of other information gathering exercises).
- Independent or collaborative, the latter being most common.
- Focussed on the whole process or organisation (vertical benchmarking) or part of a process as it manifests itself across different functional units (horizontal benchmarking).
- Focussed on inputs, process or outputs, or a combination.
- Based on quantitative or qualitative methods.

In summary, benchmarking involves the systematic collection of information about performance, over time, and comparison of data with that of past performance. It also typically includes a self-assessment against internal and external reference points, often in collaboration with select partners.

2.2. BENCHMARKING AS A TOOL FOR LEARNING AND IMPROVEMENT IN HIGHER EDUCATION

Benchmarking first became popular in higher education in Australia in the early 1990s as a result of an increased interest in quality assurance. The work by Garlick and Prior (2004) provides a comprehensive overview of developments in benchmarking in Australian universities (Chapter 2). The establishment of the Committee for Quality Assurance in Higher Education (CQAHE) in 1991 generated a great deal of interest in quality assurance. More recently, the establishment of the Australian Universities Quality Agency (AUQA) has led to a further increase in interest in benchmarking. Over the same period, DEST, the Commonwealth Government department responsible for higher education, and its antecedents, have had an interest in evaluating and improving performance and they have refined performance indicators for biennial and annual performance reports for publicly-funded universities. In 2000 DETYA, as it then was, published *Benchmarking: A Manual for Benchmarking in Australian Universities* (McKinnon, Walker, and Davis). Other earlier related developments included establishment of the NACUBO (National Association of College and University Business Officers) group. This began in the early 1990s, and took a statistical and financial approach to benchmarking. While there was a lot of initial interest in participating in this project, interest fell away because of the level of resources required within institutions to progress it. Another significant initiative was the establishment of the CHEMS group in 1994 as a Commonwealth benchmarking club, using the Baldrige technique. Fielden (1997) provides a useful summary of these initiatives.

It is only as we approached the turn of the 21st century that benchmarking started to be used more systematically in higher education as a tool in continuous improvement. Since then the literature on benchmarking has expanded enormously. Use of frameworks such as that developed by Business Excellence Australia, or joining a benchmarking club such as CHEMS, have been seen as useful ways of identifying strengths and weaknesses, improving performance and demonstrating how a unit/department adds value to the organisation.

2.3 RELEVANT INDUSTRY STANDARDS AND FRAMEWORKS

In the Australian university sector two key references have been used for benchmarking. One is the McKinnon, Walker, Davis (2000) manual; the other is the approach offered by the Business Excellence Framework.

Benchmarking: a Manual for Australian Universities by McKinnon, Walker and Davis is designed to provide reference points for good practice in universities as well as ways of improving their functioning. It makes an effort to “incorporate benchmarking metrics using the lagging, leading and learning framework. From the benchmarks included here a suite of benchmarks can be identified that should both suit the circumstances of any particular university, and allow it to assess objectively its achievements and its progress.” (p.5) In their survey of Australian universities, Garlick and Prior

(2004) looked particularly at the McKinnon, Walker, Davis manual, with a remit to make recommendations for improvements based on feedback on its use in practice. They found (vii) that it 'was not seen positively as a benchmarking tool that could assist universities with their performance improvement agenda.' This was largely because of its top down and 'one size fits all' approach. Perhaps for this reason, many universities have opted to use the Business Excellence Framework developed by Business Excellence Australia.

The Business Excellence Framework is best described using the diagram below.



Figure 1: Source: Business Excellence Australia www.businessexcellenceaustralia.com.au

As can be seen from the diagram, the Business Excellence Framework is an integrated leadership and management system that describes elements essential to organisational excellence. It provides a useful quality assurance framework in which to use benchmarking and is based on widely accepted principles of leadership and management. It is designed to:

- provide managers with a guide to improvement and success;
- enable employees to better understand operational systems and processes;
- benchmark where the organisation stands in terms of its sector and competitors; and
- develop an understanding of the concepts and principles behind the Business Excellence philosophy.

The model represents a systems approach to management – each of the 7 categories is integrally linked. The 7 categories create a specific structure or context in which organisations can review, question and analyse their leadership and management system.

An organisation's performance against items in each category can be assessed on four dimensions: Approach, Deployment, Results and Improvement (ADRI). In earlier versions of the framework, these were labelled "Plan, Do, Check, Act". The Framework reflects the interconnected nature of all parts of the management system of an organisation and it provides both a design and a diagnostic tool. The Framework can be used to assess and improve any aspect of your unit/department's systems, including service delivery and product quality. Results of self-assessment can inform strategic and operational planning processes with a view to improving performance.

The Business Excellence Framework links to a number of other systems including ISO 9000, Investors in People, Balanced Scorecard, Business Process Re-engineering and Organisational Performance Measurement. The Framework is updated regularly to reflect current management thinking and practice.

While these standards and frameworks have been influential and helpful for the sector in developing approaches to benchmarking, the literature does not point to one standard which can be used across institutions and certainly not at the unit/administrative section level.

From their experience, Garlick and Prior (2004) propose an alternative to the McKinnon, Walker and Davis approach, comprising a five-stage framework for organisational improvement. The phases are as follows:

1. reviewing the current environment impacting on the area where improvement is being sought
2. agreeing on a strategy plan to implement initiatives and on a performance assessment regime
3. being committed to implementation
4. reviewing progress
5. learning for continuous improvement

This approach has more in common with the Business Excellence Framework and perhaps more to offer those who want to benchmark services at the unit level.

2.4 TOWARDS A FRAMEWORK THAT WILL FACILITATE BENCHMARKING SERVICES AT THE UNIT LEVEL

The authors arrived at a similar conclusion from their experience with the McKinnon Walker, Davis manual and developed a framework that could be used for benchmarking services at the unit level across their institutions. This framework was trialled, as an ACODE sponsored project, in the latter half of 2004. The trial involved seven universities (Universities of Melbourne, Tasmania, Queensland, Southern Queensland, RMIT, and Monash). The Framework has the following components.

1. Institutional context – reference to strategic goals and mission.
 2. Purpose of benchmarking exercise – a general statement of scope for the specific unit involved in the exercise.
 3. Scope and focus – contextual statement of the aspiration of the unit and service areas for which it is responsible.
 4. Principles underpinning service delivery.
 5. Support strategies for each service area.
 6. Benchmarking priorities for the particular unit – for the year ahead, or perhaps a planning period such as a triennium – and organisational arrangements/policies etc
- Sections 1-6 are completed at the institutional level and shared with potential partners. Once partners are identified for priorities (could be different partners for each) they work together on the remainder of the template.*
7. Indicators for priority areas. This includes a statement of scope, rationale and a good practice checklist, agreed by partners who wish to benchmark in the area.
 8. Self-assessment/ranking. Each institution completes a self-assessment of practice against the indicators using a five point scale, with a short statement justifying the evaluation. (This could be more elaborate but this approach has been taken as one that balances effort against outcome.)
 9. Comparative matrix of strengths and weaknesses against indicators. This section takes the form of a table arranged by indicator and with a list against each for institutions with self-identified strengths and weaknesses.
 10. Action plan. Each institution then discusses the final table with potential partners and identifies benchmarking partners with strengths in areas where they are weak, and the process begins in earnest! Information is shared and an action plan developed for self improvement purposes.

Figure 2: Framework Outline

2.4.1 UNDERSTANDING INSTITUTIONAL CONTEXT AND PRIORITIES (SECTIONS 1- 6)

For those in a benchmarking group (we used the peak body for directors of teaching and learning in Australian universities, ACODE, to trial the Framework) the first six sections of the template were completed to document the institutional environment and arrangements. This included an identification of priority areas for benchmarking. This information was then shared with others in the

benchmarking group. Before any of this could take place, however, the each institution needed to establish a benchmarking team and the following sections provide guidelines for this process.

2.4.2 CREATING A BENCHMARKING TEAM

The first step in undertaking a benchmarking project is to establish a benchmarking team or group within the organisation. This will need to be a small group who are familiar with each other and have responsibility for at least some of the areas to be benchmarked. Members of the team will need to be able to relate the exercise to the broader objectives of the unit/department and to those of the parent institution, document and analyse processes, identify key performance or good practice indicators, assess current performance against them, include others in their area as appropriate, liaise and communicate about the benchmarking exercise to ensure ownership of the process and its outcomes and implement outcomes. Because it will be important to obtain the commitment of senior management to the process, it is advisable to obtain a sponsor for the project from senior management.

It is important to remember the example of some past ambitious approaches and ensure that the scale of effort is sustainable (ref. the NACUBO experience). Be realistic. Beware of collecting too much information and remain focussed on collecting data that reflect performance. Avoid collecting information for the sake of it, or because it is available! Collection of data is an ongoing process so it is important to obtain a commitment over time.

Strategies for collecting information must be considered and resourced. These might include the sharing of information, collaboration in developing data collection instruments and site visits. Support and training may need to be provided for the teams.

The institutional benchmarking team needs to select priority areas or services for benchmarking, with reference to unit and organisational priorities. It might choose to do one or several at a time, depending on need and resources.

2.4.3 CHOOSING PARTNERS

They might be selected from a range of sources, including peak bodies, other units in the organisation or competitive partners if in industry. It can also be useful to select at least some partners from sectors other than education. For example, in benchmarking customer service functions it may be useful to select as partners corporate organisations that have a reputation for customer service. Some organisations are members of benchmarking clubs or groups and you might want to look both nationally and internationally. You could even advertise in professional journals or on listservs for partners.

It is important to select partners carefully. Large institutions might not necessarily be most helpful as 'big is not necessarily better', as the saying goes. A lot can be learned from small organisations. Nevertheless, peers are important, and identifying those with good practice, who are willing to share and discuss outcomes is critical to success. Finally, be careful to understand the distinction between best practice and best performance - best practice does not necessarily result in best performance.

2.4.4 DEVELOPING INDICATORS OF GOOD PRACTICE, PERFORMANCE MEASURES AND UNDERTAKING THE SELF ASSESSMENT (SECTIONS 7 – 10)

The Framework uses a template to facilitate this process. It is reproduced in Appendix 1 with an example for the purpose of illustration.

For each benchmarking priority a statement of good practice is developed amongst the partners who have agreed to work together on this topic. From this indicators of good practice are developed and for each, performance measures developed. These are used in the self assessment process and it is critical to the success of the undertaking that the indicators and measures are achievable and useful. The template approach is designed to facilitate this. Useful sources for developing good practice statements and indicators/measures are the McKinnon, Walker, Davis manual (2000) and in the area of teaching and learning, the work by Inglis, Ling and Joosten (2002) is particularly useful. On a practical note, it is helpful if the partners can workshop this part of the exercise face to face.

Sections eight and nine in Figure 2 are fairly self explanatory, particularly with reference to the example in the Appendix. Participating institutions undertake a self assessment against the agreed indicators and performance measures and share this information. Partners are then selected for sharing information. As we know, partnership is two way and each partner must be willing to work with those who are weak in areas where they are strong, as well as seek information and advice from those who have strengths in areas where they are weak and wish to improve.

The process of sharing self assessments and mapping strengths and weaknesses across partners requires a person dedicated to management of this part of the process. Once partners are selected and information shared, each institution must develop an action plan for self improvement.

2.5 OUTCOMES AND DISSEMINATION

It is obviously important to act on findings. Implementation strategies will need to be developed and perhaps staged, depending on resource implications. Failure to follow up will mean that the resources invested in the process have been wasted. The support of senior management will need to be obtained and a commitment to recommendations secured from operational staff. If they are appropriately involved in the process this should not be a particular challenge.

The outputs – documented performance information, externally validated - will need to be used as input to the planning process, as part of quality assurance processes. An implementation plan will need to be developed and the process of change begun, including an evaluation of the impact of changes against performance indicators.

Documenting the findings of the project – process as well as outcomes - and sharing what has been learnt with others is a vital part of improving practice. Most organisations require project leaders to be accountable for time and resources invested in projects. However, what is even more important is to demonstrate how a project has added value to the organisation, whether by improving service, avoiding cost or increasing revenue.

Dissemination takes time and effort and it is important that it is taken seriously. The vehicle that will prove most effective in the dissemination of the results of a benchmarking project needs considerable thought. We are all familiar with print publishing routes, but today we have many other choices – e-lists, weblogs, e-print repositories and the like. A dissemination/communication plan needs to be developed as part of the implementation plan.

3. FINDINGS AND CONCLUSIONS

Response to the Framework by all trial participants has been positive. Benefits of using the Framework are evident even at this early stage of the project and can be described as follows:

- Identification of strengths and weaknesses - the self-assessment exercise identifies strengths and weaknesses against good practice indicators.
Peer review has proved useful in validating self-assessment, clarifying rationales and providing consistency in rankings.
- Identification of areas for action and priorities for change – working with selected partners will assist in development of strategies and goal setting for the future.
- Improved understanding of the operation and goals of the unit: workflows, processes etc.
The process of documenting service strengths and principles underpinning them assist in understanding how functions for which we are responsible are being managed.

At a broader level, using the Framework for benchmarking energises the need for change - benchmarking facilitates performance improvement on a consistent and systematic basis. Other benefits include:

- Provision of tools for learning. The process of comparison can break down beliefs of being “special” or “different”.
- Pride in areas of achievement – reward and recognition can follow for those concerned. Areas of strength and performance improvement, realised through the benchmarking process, can be showcased and rewarded both internally and externally.

- Generation of ideas internally. Benchmarking can result in the generation of ideas, from the early, internal part of the process to the more formal outcomes from working with partners. New ideas reinvigorate practice and the commitment of staff working in the areas being benchmarked.
- Collaboration for benchmarking purposes can lead to other joint activities, such as project work on issues of common interest, secondments and exchanges.

In conclusion, the pilot has demonstrated that the Framework is usable, manageable and affordable. If we return to the features identified by Jackson and Lund in Section 2.1 of this paper, we can describe the Framework as being explicit, collaborative, employing both vertical as well as horizontal benchmarking, focussed on a combination of inputs, processes and outputs, and employing both quantitative as well as qualitative methods. In other words, although simple to use, it is rich in the dimensions it explores. Whilst the Framework was independently developed, it is worth noting that it progresses Garlick and Prior's five-stage framework for organisational improvement as described in Section 2.2 above.

At the time of writing, participants are constructing their action plans. They will then select their partners from the group with a view to conducting benchmarking activities in early 2005. The authors are grateful to ACODE for supporting the trial of this benchmarking methodology. Although only seven Universities participated, there is strong evidence that the model has the potential for broader, generic use. We hope that it can be adopted widely as a tool to improve practice.

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APPENDIX 1 – TEMPLATE EXAMPLE FROM THE FRAMEWORK

Good Practice Indicator #1

TOPIC

Professional/staff development for the effective use of technologies for teaching and learning

GOOD PRACTICE STATEMENT

Quality teaching and learning is engendered where people are expert, enthusiastic, skilled and well-supported, and learning experiences are designed to engage the learner, employing multi-modal approach

GOOD PRACTICE INDICATOR #1

- All of the organisation's e-learning obligations to students and staff and vice versa are clearly stated in its strategies, policies and practices.

PERFORMANCE MEASURES

(Level 5 indicates good practice)

Level	Obligations Covered	Clarity	Communication
1	none	muddy	none
2	limited	minimal	limited
3	some	partial	general
4	extensive	mostly	substantial
5	full	crystal	full

HOW DO YOU RATE? 1 _____ 2 _____ 3 _____ 4 _____ 5

EXAMPLES OF EVIDENCE :

Codes of Practice

SLAs

Strategic Plan

Policy documents

Teaching and Learning Plans

Standards

Guidelines

Statements e.g. copyright, plagiarism, exploitation



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