

“ Most organizations use benchmarks to determine areas of opportunity. Benchmarks may be a good start and a competitive kick starter, but they quickly fall short when it comes to creating leading edge high performance organizations. Just like copying your friend’s homework, copying external comparatives is usually no recipe for successful learning. What are some tangible issues with benchmarking? ”

- Mischa Dick

3 Reasons Why Using Benchmarks Is Like Copying Your Friends Homework

1 Benchmark data is often wrong

It is not that the information provided in benchmarks is wrong per se. The issue is that the underlying assumptions associated with the benchmark data is often highly problematic. Benchmarks are usually created by third party organizations, and the basis for comparison are rarely, if ever, truly equivalent. For example, staffing levels are often evaluated citing benchmarks, without consideration of organizational structures, titles and actual tasks being assigned to certain roles. As a result, a competitive organization may look good in comparison with what it truly is, because the role definition being compared is much narrower than in our own organization. In short, benchmarks can be a starting point, but rarely do benchmarks create sound and actionable information.

2 Benchmarking does not create ownership

Top performance of any kind, in business or in one’s personal life, requires being brutally honest with oneself about shortcomings and creating and executing a plan to address these shortcomings. Benchmarking studies are simply external data, often with doubtful intent and precision, and not an intrinsic reflection of our own performance and associated shortcomings. Most change management experts will attest that successful and sustainable improvement originates with a sincere admission of shortcomings and failures. Benchmarking robs an organization of the process to build ownership through discovery and reflection.

3 External benchmarks rob the opportunity to learn

Learning is the fuel of high performance. Learning requires careful consideration, processing, assimilation, and experimentation. Benchmarking data attempts to shortcut this process, handing out the “readymade answer”. Once the answer has been provided, the struggle associated with learning is eliminated thus robbing the organization of its opportunity to lay the foundation for future improvement.

The Solution

The Common Sense Advice to Students Still Holds

Do you own homework! Use benchmarking for informational purposes or as the motivational kick starter, but quickly move beyond the benchmark and challenge your organization to be the best in its own right, far beyond benchmarking standards.

One of the most powerful pathways to driving exceptional performance is to evaluate the organization from the inside using an outside lens. Assessment of current performance, identification of best possible performance, review of process, culture and current resource utilization using tools such as Six Sigma, Lean and Operations Analysis can create a pathway to identify and drive improvement. This internal assessment with an outside lens alleviates the unintended consequences of benchmarking.

Conduct assessments using internal resources supported by experts using proven tools and methods.

This approach generates meaningful data, identifies solvable issues and creates solutions owned by the organization. This method is a cornerstone to a learning organization, a key asset to future success.