



Benchmarking for Improvement

Description:

This tool provides useful information, the phases and the steps to conducting a benchmarking process.

How it can be used:

Benchmarking can be a valuable component of continuous quality improvement; it is a continuous process by which an organization can measure and compare its own processes with those of organizations that are leaders in a particular area. Review the guidelines and follow the phases to assess how your organization can integrate benchmarking into its quality improvement activities.

There are generally three factors that drive health organizations to engage in benchmarking:

- Ways to control costs of health services;
- Ways to manage risk and provide higher quality health care;
- Ways to improve the client/patient experience.

Benefits of benchmarking for health organizations include:

- Helps organizations understand where they have strengths and weaknesses;
- Allows organizations to realize what type of performance is actually possible by looking at others' achievements;
- Helps organizations improve their credibility with clients, community, partners and funders;
- Helps organizations set standards and goals;
- Helps organizations provide higher quality programs and services;
- Promotes changes and improvements in effectiveness, efficiency and quality;
- Improves cost and time efficiencies;
- Ensures leading and better practices are shared among organizations;
- Improves the motivation of employees.

However, there can be challenges associated with benchmarking for health organizations:

- It can take a lot of time to assess internal needs, find benchmarking partners, build relationships and integrate new practices.
- There are costs associated with assessments, building relationships with benchmarking partners (travel etc.), and implementing change.
- Not all leadership and management may be on board, which can derail the process.
- There are human resource requirements to do the assessments, build relationships, and integrate change.
- There could be an overall organizational resistance to change.
- Planning processes within the organization may not be strong and purposeful.
- There could be issues around confidentiality of information or a reluctance to share leading practices (territoriality).

Despite the potential challenges, organizations that have successfully incorporated benchmarking into their ongoing quality improvement have found the process to be extremely powerful.



Those who have not engaged in formal benchmarking may consider it to be simple comparison. Comparing is part of it, however, benchmarking goes far beyond that. It is a more formal process that includes a number of phases to ensure higher quality and improved results.

The phases of benchmarking are:

1. Planning and Organization

- Select and prioritize what is to be benchmarked.
- Establish and organize the benchmarking team.
- Select benchmarking measurements to be used.
- Identify comparative organizations.

2. Information

- Document own work processes to be benchmarked.
- Determine data collection method and collect data.

3. Analysis

- Determine current performance “gap”.
- Identify potential causes for the gap.
- Project future performance levels.

4. Implementation

- Communicate benchmark findings and gain acceptance.
- Develop action plans based on performance goals and objectives.
- Implement specific actions.

5. Evaluation

- Monitor and assess progress towards goals and objectives.
- Recalibrate benchmarks if necessary.

The process of benchmarking can be simplified by the following diagram. Use this to help explain to leadership and staff when you are seeking support to begin benchmarking as part of your continuous quality improvement activities.

