

The role of benchmarking

One of the ways of making sense of the information we gather is by putting it into context with the information from other regions. If we are told that the unemployment rate in the South West is 4.1% it only makes sense to us if we can see it in the context of the UK as a whole or compared to other regions.

Benchmarking must be one of the most instinctive processes of all. It is one of the ways children learn. We look at what others are doing, compare it with what we are doing and try to learn from what works for them. In a more formalised way we look at our processes and performance and compare with the processes and performances of others and try and learn which the best ways are. It is used extensively by organisations as a management and performance-enhancing tool. In the public sector it can work well when there is open cooperation between parties.

In any benchmarking exercise we need to be aware of the differences and the different contexts as well as similarities. An overweight person and an underweight person may both be addressing an eating disorder, but they will have opposite goals, so comparisons may do more harm than good.

When looking to benchmark regions it is usually good to work with regions which are comparable in some way and have equivalent goals. Also the information about the regions should be comparable. A region which; has a population of £5.5million, made up of highly variable sub-regions, 80% agricultural land, a diverse business base, potential for developing tourism, significantly ageing population, transport/infrastructure challenges, a highly qualified workforce but with low productivity, such as the South West, would usually have more to learn by benchmarking with a region which is comparable in some of these aspects, than say a small homogeneous urbanised industrial region

Most benchmarking is carried out using statistical data and intelligence, that is **quantitative** information.

In this project we have developed a **qualitative** benchmarking tool for looking at restructuring processes.

Benchmarking is a well developed tool and much has been written about it. Here we give some links to sites that describe the process in more detail and give useful guidelines.

Benchmarking your benchmarking! A good source of information.
[Public Sector Benchmarking Service](#)

[European Benchmarking Code of Conduct](#)

