



# Method of benchmarking in the VET sector



## What is benchmarking?

What is benchmarking? Benchmarking has been defined as, “a systematic process of learning from the best that originated in the quality movement. It focuses on learning to improve performance. It implies humility, a willingness to acknowledge that others are better and to learn from them,” (Rumizen, 2002:285). It has also been seen as, “the process of identifying, understanding, and adapting outstanding practices from others, in order to improve your own performance,” (O’Dell and Grayson, 2004:602). Within the overall definition of benchmarking there also exists the distinction between internal benchmarking and external benchmarking, where internal benchmarking is the process of identifying, sharing, and using the knowledge and practices that exist inside the own organisation, as opposed to external benchmarking, which looks to profit from an external comparison with other organisations (O’Dell and Grayson, 2004).

Another definition of benchmarking is: “an ongoing systematic process to search for and introduce international best practices into your own organisation, conducted in such a way that all parts of your organisation understand and achieve their full potential. The search may be of products, services or business practices and processes, of competitors or those organisations recognised as leaders or specific business processes that you have chosen,” (Gardner and Winder, 1998:201).

Benchmarking is the method for comparing approaches, way of working (processes) and achievements (performance data) with other VET providers. Preferably organisations from the VET sector are compared with each other, but it is very possible to apply benchmarking between organisations from other sectors. These comparisons mainly concern the factors quality, time and costs of organisations. In addition, we look at how certain Vocational Education and Training can be provided in a better way, with better results (more effective) and more efficient.

Benchmarking is a way of discovering what is the best performance being achieved – whether in a particular VET-provider, by a competitor or by an entirely different sector. This information can then be used to identify gaps in the approaches and processes of a VET-provider in order to achieve more impact (efficiency and effectiveness) of the services.

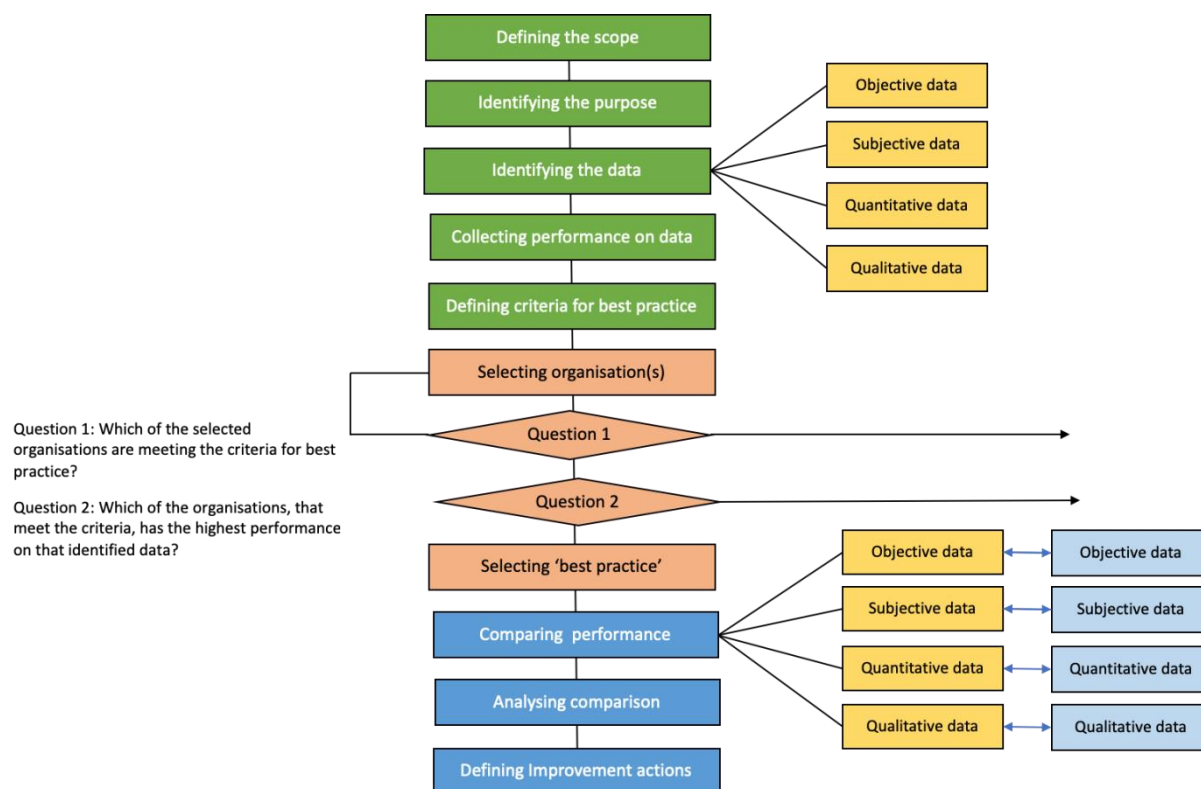
Benchmarking is a process for obtaining a measure – a benchmark. Simply stated, benchmarks are the “what,” and benchmarking is the “how.” The process of benchmarking is not a quick or simple process. Before undertaking a benchmarking activity, it is important to have a thorough understanding of what qualitative and quantitative information can be gathered, and whom practitioners can contact to get that information. Depending on the size of the VET provider, sometime even practitioners may be surprised at what is readily available in-house.

Benchmarking is not just a matter of making inquiries to other VET providers or touring and documenting another VET-provider’s facilities or processes. When making use of benchmarking, the VET-provider should not limit the scope to its own sector, nor should benchmarking be a one-time event.



## The method of benchmarking

The method of benchmarking can be visualised in the following flowchart



### Description of the benchmark process

The process of benchmarking can be described in the following steps:

#### Step 1: Defining the scope of benchmarking

Defining the scope (i.e., the part that will be compared) of the benchmarking analysis process should always be the starting point of the process. After all, you don't want this benchmarking process to slide out of control before it begins. The scope of the benchmark process can be an approach, a service, an educational program, achievements of a department or a program, performance of students and/or teachers etc)

#### Step 2: Identifying the purpose of benchmarking

Benchmarking may have different purposes. The benchmarking purposes are mainly related to improving, learning and development.

**Internal benchmarking** is used when a VET-provider already has established and proven best practices and they simply need to share them. Again, depending on the size of the VET provider, it may be large enough to represent a broad range of performance. Internal benchmarking also may be necessary if comparable VET-providers / services / results are not readily available.

**Competitive benchmarking** is used when a VET-provider wants to evaluate its position within the sector. In addition, competitive benchmarking is used when a VET-provider needs to identify sector leadership performance targets.



**Strategic benchmarking** is used when identifying and analyzing world-class performance. This form of benchmarking is used most when a VET provider needs to go outside of its own sector or country.

#### Step 3: **Identifying the data**

Benchmarking is comparing information / data. There are different types of information / data. Information / data can be subjective, objective and presented in qualitative way and/or quantitative way.

**Subjective information** is based on personal opinions, interpretations, points of view, emotions and judgment. **Objective information** is fact-based, measurable and observable.

Both types of information can be expressed in Qualitative data. This information can be observed and recorded and is non-numerical in nature. This type of data is collected through methods of observations, one-to-one interview and conducting focus-groups interviews. Qualitative information / data is about the emotions or perceptions of people, what they feel. Quantitative data is any quantifiable information / data that can be used for mathematical calculation or statistical analysis. This form of data helps in making decisions based on mathematical derivations. Quantitative data is used to answer questions like how many? how often? how much? This data can be validated and verified. In quantitative information / data perceptions and emotions are expressed in numbers or percentages.

It is strongly recommended to identify subjective, objective, qualitative and quantitative information

#### Step 4: **Collecting performance on the data**

In this step, the VET provider collects as much as information that is available within the scope of the benchmark. It is strongly recommended to balance the type of information (subjective and objective information) and the various ways of presentation.

#### Step 5: **Defining criteria for best practice**

Benchmarking is comparing information / data with those who are considered as best practice. Selecting best practice should be done based on criteria which have been set before. In many cases, the criteria depends on the scope of the benchmark. If comparing performance on successful inclusive education may have different criteria that comparing performance on satisfaction of students and teachers or comparing outcomes of VET-programs for female students.

#### Step 6: **Selecting organisation(s)**

After having identified the criteria for best practice, one should select an organisation to benchmark with. In other words, selecting an organisation with whom you would compare the data you have selected in step 3. The selection of the organisation is a crucial step in the process of benchmarking. The selected organisation should be considered as 'best practice' on the issue that is subject of the comparison.

#### Step 7: **Comparing performance**

The comparison of information should be carried out in a systematic way. Similar information should be compared with each other. Quantitative information should be compared with quantitative information based on similar indicators. Subjective information should be compared with other subjective information based on similar indicators while facts and figure should be compared with each other.



#### Step 8: **Analysing comparison**

The analysis of the compared information can be done in various ways. For quantitative information, a statistical analysis might be helpful. For analysing qualitative information other techniques are available. In all cases, in the process of analysis you are looking for the causes of the variation. You try to understand why the performance varies and why the performance of the benchmark is better. So, you will investigate the information 'behind' the current performance with the purpose to learn from this information.

#### Step 9: **Defining improvement actions**

Based on the analysis of the compared data, you can identify what performance should be improved. In step 8 you may have investigated the reasons of the variation of the data and information. Why is the performance of the benchmark better than the performance of your own organisation? These reasons may be an inspiration for carrying out improvement initiatives: making changes in ways of working, in measuring out outcomes, in improving the practice. For the sustainability of the improvement actions, it is important to involve management and staff (teachers) in this process. Involvement of management and teachers are considered as key factors for making sustainable improvements.