Benchmarking – how to empower yourselves to become leaders in animal management practices

Leigh Clement

BACKGROUND

This paper provides the reader with an insight into the benefits to be gained from benchmarking and the pitfalls to be avoided.

Performance measurement and benchmarking have become popular topics in recent years and, regardless of whether you consider this to have been a lot of overrated hype, many organisations, including local governments, have achieved significant benefits from using these tools to improve performance.

The management of performance and achievement of specified outcomes is becoming an increasingly important issue for local government.

Recent years have seen rapid and unprecedented change for local governments throughout Australia. Without a doubt, the expectations of local government have intensified and community scrutiny of local government activities and performance continues to grow. There is an increasing emphasis on producing more with less or on getting more value for each dollar spent.

As a result many traditional local government services, such as Municipal Pet Management, can no longer be viewed simply as a community service obligation. Councils are becoming far more 'business' orientated in today's competitive environment. With this shift in organisational culture comes increasing demands for business units within the organisation to show greater efficiencies in their service delivery.

For animal management officers this means demonstrating that both the council and the community are receiving value for the money and resources invested in animal management services.

So it is that, in reviewing their current operations, many local governments are turning to the use of performance measurement and benchmarking tools.

BENCHMARKING

Benchmarking enables a local government to find ways of improving performance by looking beyond what results are achieved to the underlying business practices — that is, how the results are achieved.

In practical terms benchmarking is about learning. Specifically it is learning about your own council, learning from others and practising what you learn. In short, you find out what others are doing, compare it with what you are doing and adapt and apply what is useful to your own situation to improve organisational performance.

But, before you can proceed with benchmarking, it is essential that your council has a realistic and thorough understanding of the practices and processes involved in providing your services.

One of the fundamental rules of benchmarking is to know your own processes and services before you attempt to understand the processes and services of another council.

Why is this so important? Because without a thorough understanding of your own internal processes you may not realise the extent of your improvement opportunities and, therefore, you won't be able to make meaningful comparisons later, after you have benchmarked your practices.

The process involved in benchmarking can be represented, in short, by the following formula that is espoused in a number of texts and reference materials.

Benchmarking = Measure \Rightarrow Analyse \Rightarrow Change

The real value of benchmarking comes from analysing the reasons for the differences in performance and then going on to develop ideas or changes which will improve the performance of the particular service or activity.

BENEFITS AND PITFALLS OF BENCHMARKING

The obvious benefits of benchmarking service performance include significant opportunities to improve customer service levels, efficiency and effectiveness and improved accountability (both to council and the community).

Benchmarking also enables an improved understanding of internal systems and practices and new ideas which may lead to continuous improvement or change.

If benchmarking achieves nothing else it will at least provide the council with an improved understanding and ability to meet the needs of its customers.

Although benchmarking has a lot to offer you should be made aware of the possible problems or pitfalls that may occur before you consider embarking on a benchmarking project. If you are aware of the challenges to be faced when implementing benchmarking you can prepare yourself and design your system accordingly.

One of the key lessons to be learned from other councils who have already gone down the path of developing a benchmarking system is that implementation is, without a doubt, a time consuming process. This was partly because much of the information needed was not already available in council information systems.

In Queensland, many local governments have fallen into the trap of committing a great deal of resources towards the development of a suite of performance indicators for benchmarking purposes. They only subsequently realise that the data required to generate these indicators is either not available or not readily accessible from their present information systems. Some of these councils have been faced with substantial costs for the upgrading of in-house information systems that will meet their performance information needs and requirements.

It can be said that performance data availability may make or break a performance measurement or benchmarking system. When implementing a benchmarking system you therefore need to be aware of what are the costs and feasibility of obtaining and reporting performance information for your organisation. In other words, if the information you are seeking for performance comparative purposes is not readily available, could you develop it and is it worth the effort required?

Another barrier that must be overcome by councils venturing into benchmarking with each other is the large diversity amongst councils throughout Australia. Differences in size, customer demographics, physical conditions, internal processes, resources, financial structures and relative income sources are factors which contribute to comparability problems.

The most common pitfall with performance measurement and benchmarking is that it is seen to be the end rather than the means. For benchmarking to be successful it is essential that it be viewed as a continuous process.

CRITICAL SUCCESS FACTORS

There are three critical elements to the successful implementation of benchmarking.

Firstly, the organisational culture must be one that is committed to the search for excellence and accepting of the need for ongoing change and continuous improvement.

Secondly, it requires top management support and the allocation of sufficient resources to implement improvements.

Thirdly, above all else, there must be a willingness to change current practices.

The development of a sound performance measurement and benchmarking system will undoubtedly take time and dedication, but the results are well worth the effort. The number of councils who have entered and continued to participate in benchmarking projects evidences this. Once the benefits have begun to be realised these councils have affirmed their commitment to benchmarking and have continued to be active participants in their respective benchmarking projects. In fact, very few councils have ceased to participate or have withdrawn from the projects they have been involved with.

CONCLUSION

With the implementation of performance measurement and benchmarking, your council will be equipped with the means to not only improve the efficiency and effectiveness of its service delivery but also to actually become the recognised leader in your industry.

A significant number of councils throughout Australia have adopted performance measurement and benchmarking as part of their everyday management operations and have already begun to reap the rewards through performance improvement.

As an organisational improvement and management tool, benchmarking should not be viewed as a passing fad. It is here for the long haul and will continue to take a stronghold on the management systems of many local governments. Benchmarking will, ultimately, provide for a better future for both local governments and the communities that they serve.

ABOUT THE AUTHOR

Leigh Clement Local Government Services Department of Communication and Information, Local Government and Planning PO Box 187 Albert Street Brisbane Qld 4002 Ph. 07 3225 8680 Fx. 07 3225 8685 Email. leigh.clement@dcilgp.qld.gov.au

Leigh is a senior officer within the Local Government Financial Management Unit of Local Government Services. In her position as Project Leader — Performance Management, Leigh has been responsible for the establishment of a performance measurement system for Queensland local government.

Her work has entailed the development of a suite of performance indicators for the services provided by councils, the design and implementation of a performance data collection system and reporting framework and the publication of comparative local government performance information.

In addition to her developmental work, Leigh provides a facilitation service to councils, local government professional groups and other State government agencies in the establishment of performance measurement systems and Urban Animal Management Conference Proceedings 1999 - Text copyright © AVA Ltd - Refer to Disclaimer

benchmarking partnerships. She also holds positions on a number of local government, State and Commonwealth government advisory and steering committees relating to local government performance measurement and benchmarking.

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