

BENCHMARKING YOUR WAY AGAINST THE WORLD'S BEST



Author: Lelde McCoy. Managing Director, The Reputation Group

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This paper covers:

- What is Benchmarking?
- How benchmarking methodology can be adapted to the special needs of the public relations function.
- Global trends in public relations benchmarking.
- How to get started, and what you can expect to achieve.

SO WHAT IS BENCHMARKING?

Interest in benchmarking has been sparked by the continuing search for best practices to identify and achieve superior performance.

Benchmarking is "A comparison of overall performance and key performance ingredients with standards achieved by best practitioners worldwide".

The key words in this definition are:

- Comparison – You need to look outside and observe the practices of others. The comparison is not with history or an academic ideal but is a reality check with organisations that are recognised as best-in-class.
- Performance – Can mean a wide variety of things and there are a wide variety of measures; including outputs and impacts and the factors associated with these.
- Ingredients – These are the how to's of operating.
- Standards achieved – Again you are looking at practical reality; and
- Best practitioners worldwide – Means that this information can come from anywhere but usually from companies known for their success and innovation in a particular function.

To date amongst public relations practitioners, the term "benchmarking" has most often been applied in the context of establishing an internal base line for measuring performance, for example, a benchmark for measuring stakeholders attitudes towards corporate reputation on an annual basis.

Definition: Comparing outstanding practices and processes from organisations anywhere in the world to help your organisation improve its performance.

Benchmarking is not about mimicking other's systems of activities. History demonstrates that firms that just copy each other kill each other by losing their differentiation, or by drowning in a common mediocrity induced by focusing on the competitor rather than the customer.

Benchmarking is, instead about building on the ideas of others and adapting them to your special circumstances. Its complexity varies.

The first two levels are relatively simple, involving the informal comparison of activities by competitors.

For instance, benchmarks of performance can be measured by observing conferences or journal articles against a stated objective like a budget or last year's performance. For example, measuring the quantity and quality of media articles containing key corporate messages about your firm.

Most of us already do some form of benchmarking at these levels, however they are internally focused and may not change mind-sets.

The next level of benchmarking is conducted by multi site organisations and involves comparisons between the various sites of a company, both domestically and internationally. For instance, a food manufacturer comparing its community relations activities with its sister company elsewhere. Or a subsidiary comparing its corporate affairs key performance indicators with its parent company.

Higher level benchmarking, which is the most useful and expensive, involves detailed comparisons of processes and functions with leaders in a variety of industries.

For example, a telecommunications company wishing to improve its service culture may compare employee communications with a leading retail chain.

Benchmarking at this level often involves comparisons with other sites in other countries as an effort is made to find the best in the world on that particular area of comparison. This is the most popular benchmarking method.

ADAPTING BENCHMARKING TO THE SPECIAL NEEDS OF PUBLIC RELATIONS

- Roles – for instance, the PR manager's relationship with CEO.
- Practices – whether you use internal or external resources for publications.
- Processes – the best way of developing a government relations strategy.
- Products & services – the most effective content for employee publications.
- Strategic issues – communication challenges in downsizing.

There is a growing emphasis on benchmarking within public relations. As a management approach, it can access functional performance, identify areas of performance, identify areas of opportunity, assist with the management of change, and improve communications and motivation.

The basic phases in benchmarking are planning, data collection, analysis – including gaining insights – communicating to those involved, and implementation.

The most common mistake is spending too much time on collecting the data and not enough time on analysing it and gaining insights as to how it can be best used in your organisation.

And the main problems experienced by public relations professionals are formalising data, agreeing and benchmarking, finding parties, training and employee commitment to the total process and the implementation of recommendations.

In process terms, the 10-step Xerox model is a good starting point:

- Identify what's to be benchmarked, that is, your critical business process.
- Identify comparative companies.
- Determine the data collection method most suitable for you and collect data.
- Determine current performance gap.
- Project future performance levels.
- Communicate benchmark findings and gain acceptance.
- Establish functional goals.
- Develop action plans.

- Implement specific actions and monitor progress.
- Recalibrate benchmarks.

BENEFITS AND DISADVANTAGES

The benefits of benchmarking for your organisation are that you have:

- A raised awareness of external environments.
- Specific measures rather than general concepts.
- A tangible demonstration of what is achievable.
- A way of measuring progress.
- Actionable rather than 'nice to know' information.
- And a basis for continuous improvements.

Potential traps, in contrast are:

- Collecting too much information.
- Not comparing like with like.
- Focusing on the wrong parameters, for instance, things that aren't key performance determinants.
- Not acting on your findings.
- Failing to follow them up.

Benchmarks rarely stand still, particularly in our evolving professional practice.

There is no doubt that benchmarking will be one of the key factors which will distinguish leaders from laggards in public relations.

But to be such a leader we must remember some fundamental facts.

First, that benchmarking as a tool for public relations is entirely dependent on our capacity to evaluate.

We cannot address one without the other. It is foolish to embrace benchmarking without further work in developing evaluation methodologies.

Second, that even after you have benchmarked you must still ask the most important question "what drives the value of my department or firm as a whole?"

What is important are the results and impact of activities rather than the activities themselves.

That is to say, don't end up benchmarking communication tools and neglecting the strategy and corporate vision, which, of course, should drive the tools.

Third, in our profession, benchmarking is a logical outgrowth of our common commitment to building – and sharing – a body of professional knowledge.

And that – above all else – is what makes it a strategic planning tool which is eminently suitable for communicators around the globe.

About The Reputation Group

The Reputation Group is a boutique public relations agency based in Melbourne, Australia. We are a strategic communications and public relations consultancy with particular expertise in brand and reputation building, marketing communications and corporate responsibility and sustainability. We are passionate professionals, offering the one-to-one service of a boutique agency with deep experience gained working with major corporations, industry associations, government, and not-for-profits. We strive to provide clients with the highest level of service backed by total accountability and value for money.

If you would like us to help translate your communication challenges into opportunities to enhance your organisation's reputation, our contact details are below.

The Reputation Group
Level 4, 470 St Kilda Road
Melbourne Victoria 3004

Tel: +61 3 9820 2633
Fax: +61 3 9820 9722
info@thereputationgroup.com.au

www.thereputationgroup.com.au