

The Benchmarking Code of conduct:

Principle of Preparation. Demonstrate commitment to the efficiency and effectiveness of the benchmarking process with adequate preparation at each process step, particularly at initial partnering contact.

Principle of Legality. Avoid restraint of trade discussions or actions. Do not discuss costs with competitors if costs are an element of pricing.

Principle of Exchange. Be willing to provide the same level of information that you request in any benchmarking exchange.

Principle of Confidentiality. Do not communicate information obtained from partnering organizations during benchmarking without prior consent.

Principle of Use. Information obtained from benchmarking partners should only be used for improvement of operations within partner companies themselves. Do not, as a consultant or client, extend one organization's benchmarking study findings to another without the first organization's permission.

Principle of First Party Contact. Initiate contacts, whenever possible, through a benchmarking contact designated by the partner company. Obtain mutual agreement with the contact on any hand off of communication or responsibility to other parties.

Principle of Third Party Contact. Obtain an individual's permission before providing their name in response to a contact request.

The Ten Steps of Benchmarking

These Questions	Promote These Activities	For these Results
<i>Define Business Excellence</i> Who is best?	1. Define priorities and basis for comparison. 2. Determine measures of business excellence. 3. Identify whom to compare.	Benchmarks for what you do
<i>Assess Progress</i> How well am I doing?	4. Flowchart and measure your process. 5. Compare to benchmark.	Your future goals
<i>Identify Improvement Opportunities</i> What are my gaps and strengths?	7. Identify and communicate gaps and strengths. 8. Obtain sponsorship.	Prioritized and funded improvement opportunities
<i>Establish and Deploy</i> How will I close gaps and share strengths?	9. Determine how to achieve results. 10. Adopt and adapt from the best and share your strengths.	Improve-

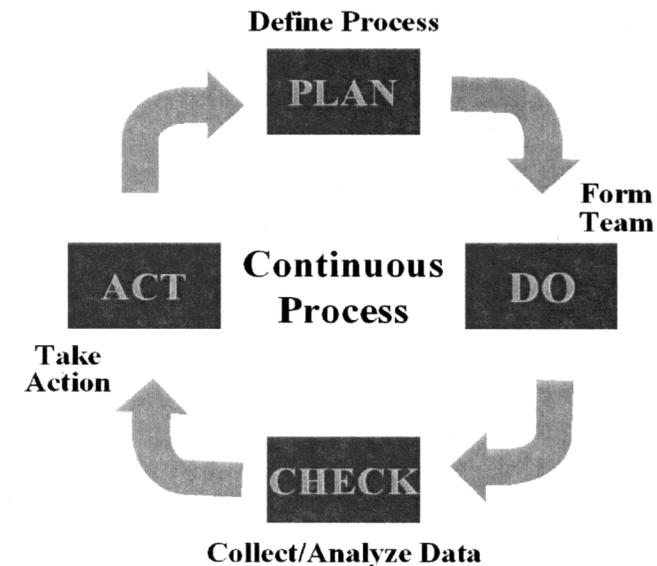
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Benchmarking: A Tool for Continuous Process Improvement



**Headquarters Department of the Army
Office of the Chief of Staff, Army
Management Directorate
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ARMY BENCHMARKING...

Benchmarking is a quality improvement tool that enables an organization to measure its products, services, and processes against those of their toughest competitors and best-in-class organizations throughout the world. It's a continuous and systematic process of identifying, analyzing, and adapting industries best practices that will lead an organization to superior performance.

Through this knowledge, organizations can develop and implement plans to achieve increased customer satisfaction and ultimately become the best at what they do. By answering the question, "Who is the best?," we set a stretch goal or vision of business excellence.

To achieve the Army's vision and strategy to be the best, benchmarking ourselves against the best, both within and outside the Army is imperative. This means that everyone from the junior soldier in the trenches to our most senior leader must take the initiative to find "Best Practices", adopt and adapt them for our organizations.

As part of our Army's continuous improvement effort, we must identify who does the job best and establish the best practice as a benchmark goal. The goal is to seize the optimum performance features of a process or practice and to implement those features in our own process to produce the best of the best.

There are four approaches to benchmarking a process:

Internal

Internal Benchmarking is comparing yourself to a similar operation within your own organization. Internal benchmarking facilitates sharing best practices across the organization.

Competitive

Competitive Benchmarking entails specific competitor-to-competitor comparisons for products, services, and processes. Competitive benchmarking helps identify the leader in your industry.

Functional

Functional Benchmarking is a comparison to industry leaders or to similar functions within the same broad industry. It provides information on best-in-class processes and practices and helps you identify, understand, and close your business gaps.

Generic

Generic Benchmarking compares work practices or processes across organizations and products. This method is most useful for identifying innovations, closing gaps, and achieving step-function changes.

Successful Benchmarking...

...requires a thorough understanding of the applicable Army products, services, and processes under review before you attempt any comparison. Listed below are three primary groups or sources for locating best-in-class organizations and their best practices:

Internal Sources

- Library databases
- Internal reviews
- Internal publications
- Best Practices Database

External Sources

- Professional associations
- Industry data firms
- Industry publications
- Industry experts
- Special industry reports
- Software/hardware suppliers
- Functional trade publications
- University sources
- General management journals
- Company watchers
- Functional Journals
- Advertisements
- Seminars and forums
- Newsletters

Original Research

- Customer feedback
- Telephone surveys
- On-site visits

