

**Benchmarking Human Resource Development:  
An Emerging Area of Practice**

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# **Benchmarking Human Resource Development: An Emerging Area of Practice**

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## **Abstract**

Libraries, along with many other organisations world-wide, are increasingly adopting benchmarking as a means of evaluating their organisational practice against best-practice standards. Benchmarking of human resource development (HRD) is an emergent area of practice in a number of countries and sectors of activity.

This paper outlines the principles of benchmarking, examines dimensions which may be useful in benchmarking HRD and focuses in particular on the potential for the application of benchmarking principles to HRD activity in the library and information services (LIS) sector. Several examples of emergent HRD benchmarking practice in the LIS sector serve to illustrate the application of benchmarking principles and methodologies.

## **Keywords**

Human resource development, benchmarking, library and information services sector

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Benchmarking is a process of evaluating products, services, and work processes of organizations that are recognized as representing best practices, for the purpose of organizational improvement (Spendolini, 1992). The process of undertaking systematic comparison between organisations, and making improvements based on those comparisons is generally regarded as originating in the Xerox Corporation's efforts, in the late 1970s, to reinvent itself in the face of competition in a market segment that it had hitherto dominated (see for example: Elmuti & Kathawala, 1997; Ford, 1993). Other influences cited as significant in the development of the concept of benchmarking include the quality assurance movement and just-in-time manufacturing methods (Longbottom, 2000).

This paper briefly examines the core concepts of benchmarking and the applicability of benchmarking to human resource development (HRD) practice. Several examples of HRD benchmarking initiatives in the library and information services sector serve to illustrate the application of this emergent performance measurement/assessment practice.

## **Benchmarking – what and why**

Benchmarking is essentially concerned with understanding how processes work – through observing and studying work methods and practices and then identifying good or best practice. Benchmarking seeks to learn from the observation of such good and best practice, and to make improvements necessary to reach identified standards of good/best practice. Assessment of improvement is based on review and comparison with other like organisations. (Elmuti & Kathawala, 1997; Longbottom, 2000).

While there are many variant models for the practical application of benchmarking principles four elements are common (Longbottom, 2000). These are:

- Planning - investigation, measurement and examination of the strengths and weaknesses of current processes;
- Analysis – identifying potential benchmarking partners and then exchanging information, and observing and comparing processes;
- Implementation – adaptation and modification of processes based on learning from the analysis stage;

- Review – ongoing review and refinement with the intention of achieving continuous improvements;

Benchmarking is not without critics (see for example: Campbell, 1999; Cox and Thompson, 1998; Hammer and Champy, 1993). Criticisms include claims that comparing existing practice and processes between organisations is of little value and that even in circumstances where such comparisons are of value process improvement through benchmarking is too slow and incremental a process. There is also, it is argued, the risk of managers attempting to apply the method without fully understanding it and/or becoming consumed by the process itself – spending too much time and effort on the benchmarking and losing sight of the core purposes and objectives of the process. Benchmarking techniques have found increasing application in the public sector. Critics of that trend point in particular to the potential mismatch between techniques which originated in the for-profit sector (with the ultimate aim of greater profit and competition) and the core nature of the operating environment of not-for-profit organisations (Davis, 1998).

Whatever its origins, and notwithstanding the criticisms of the technique, the process of benchmarking by measuring an organisation's services and practices against those of comparable others in order to assess performance and to identify areas for improvement is widespread and has been able to demonstrate a significant degree of effectiveness in a disparate range of industry/activity sectors.

### **Benchmarking – public sector applications**

Notwithstanding the concerns noted above, benchmarking has increasingly found a useful place in the public and not-for profit sectors. Although the profit motive is missing, the core intention in undertaking benchmarking in those sectors remains the same. That is, to identify and understand best practice in any given sector or sphere of operation and, in doing so, to set useful targets by which achievement can be measured and ongoing improvement achieved.

Best practice benchmarking has been widely and successfully applied in many public sector organisations. The higher education sector in many parts of the world provides a salient example of this. Examples of the successful application of benchmarking can be seen in universities in Australia (McKinnon *et al*, 2000), China (Langa & Zhaa, 2004; Stewart, 2006) continental Europe (Schreiterer, 1998), India (Gnanam, *et al*, 2003), New Zealand (Woodhouse, 1999) and the U.K.

(Jackson, 2001; Lund 1998). Within the higher education sector, libraries have frequently been early and enthusiastic adopters of benchmarking techniques. Australian, New Zealand and U.K. university libraries, for example, have all been at the forefront in adopting and applying benchmarking processes to various aspects of their operations (see for example: Jackson, 2001; McGregor, 2004; Wade & Henderson, 2000; Wilson *et al*, 2000).

In the case of Australia the work of both McKinnon *et al* (2000) and Wilson *et al*, (2000) has been important in outlining suitable frameworks and encouraging the adoption of benchmarking methods in university libraries. Noting the need to identify benchmarks which would assess efficient use of resources and the quality of the contributions which university libraries make to the realisation of university objectives, McKinnon *et al* (2000) proposed a range of criterion reference benchmarks with the intention firstly of identifying attributes of good practice and then using those attributes as benchmarks for further evaluation. The *Council of Australian University Librarians* (<http://www.caul.edu.au/>) has encouraged benchmarking between its members and has facilitated a range of studies in various operational areas including client satisfaction with library services, performance and effectiveness of document delivery services, availability of sought materials, cataloguing, and the re-shelving of library materials. Several trans-national benchmarking projects have also been undertaken with Australian libraries as a key partner, for example between libraries in Australia and New Zealand (Wade & Henderson, 2000) and Australia and the U.K. (Smith, 2006). In the U.K. higher education LIS sector the widespread and successful application of *LibQUAL*, a suite of services that libraries use to solicit, track, understand, and act upon users' opinions of service quality, is another example of the effective application of benchmarking methods to the assessment and improvement of library services (Cook *et al*, 2004; Town, 2004; Town & Lock, 2005).

### **Benchmarking human resource development**

The last two decades have seen greatly increased emphases on access to information and knowledge management. Changes and developments in the ways and means of organising and accessing recorded knowledge have been rapid and significant with increasingly sophisticated information systems evolving. Libraries and those who work in them have an important role to play in such an environment and in that context, human resource development, the development of the skills and capabilities of the people who work in the LIS sector

– through staff development and training, continuing professional development/continuing professional education, and workplace learning – is a strategic imperative.

The imperative to maintain and upgrade the skills, knowledge, and abilities of LIS staff has been recognised, and is reflected, in the significant priority allocated to HRD activity in many libraries (see for example Smith, 2002, 2006; Yeoh *et al*, 2004). As a strategic organisational priority it is important that HRD is assessed and, where necessary, improved and that this be a continuing cyclical activity. Benchmarking has clear potential to achieve that end. Indeed, benchmarking has particular applicability for HRD because HRD naturally lends itself to cooperative and collaborative activity between institutions (Browell, 2000). HRD benchmarking may be undertaken at both strategic and practical/operational levels. Strategically, HRD benchmarking may focus on the extent of alignment of training and development efforts with organisational strategic planning, the extent of resource allocation (both direct costs and staff time) allocated to HRD, and analysis and comparison of the focus, content structure and organisation of HRD (Ford, 1993). An important but often ignored or overlooked aspect of HRD is that of evaluating the impact and results of training and development (Bjornberg, 2002). Benchmarking provides one means by which organisations can assess, by comparison with others, their HRD effectiveness. Learning from the experience and practice of other organisations through benchmarking can also contribute to improving HRD at practical operational levels. An example of practical benchmarking by HRD practitioners may be the sharing of information for mutual benefit – for example sharing information regarding successful or unsuccessful approaches to dealing with particular training and development needs.

Ford (1993) proposes a series of metrics which may be usefully applied to HRD benchmarking. Some are relatively straightforward to measure and calculate, but others are more challenging. In broadly escalating degrees of difficulty in measurement these metrics include:

- Expenditure on HRD activities as a percentage of payroll;
- Average hours spent on HRD per employee per annum;
- Average HRD cost per participant per hour;
- Percentage of employees undertaking HRD activity per annum;
- Average percentage of positive ratings of HRD activities by participants;
- Average percentage of gains in learning reported by participants in HRD activities;
- Average percentage of improvement in on-the-job performance as a result of participation in HRD activities;
- Cost savings and efficiency gains as a result of participation in HRD activities.

A number of the elements of these prescribed benchmarking dimensions can be seen in the examples of HRD benchmarking practice which are outlined below.

### **Benchmarking human resource development in the library and information sector - examples of emergent practice**

As has already been noted, libraries and librarians have been quick to see the value of benchmarking, and have applied these techniques in a range of areas of practice in the LIS sector. The application of benchmarking principles specifically to HRD in the sector is emerging as a new aspect of practice. The following examples demonstrate several different approaches to the application of benchmarking principles to HRD practice in the LIS sector.

#### **Surveying HRD policy and practice – Australian and U.K. academic and research libraries**

Three recent surveys have examined HRD policy and practice in Australian and U.K. academic and research libraries. Two surveys have been undertaken in Australia by this author (Smith, 2002, 2006) and a comparable survey completed in the U.K. by Yeoh *et al* (2004). These investigations focussed on the policy and practice of HRD in Australian and U.K. academic and research libraries, in particular the types and patterns of HRD being undertaken, increases or decreases in HRD over time, factors influencing the content and focus of HRD programs, and the extent to which the return on investment in HRD was being evaluated.

The surveys provided a valuable opportunity to benchmark and compare practice in these two countries. HRD in both the Australian and U.K. academic libraries sector was shown to be in a healthy state. there was evidence of significant and sustained growth in the amount of HRD activity overall, investment in HRD was generally allocated significant organisational priority and seen as having a strong alignment with the achievement of strategic organisational objectives. Explicit HRD budget allocations also demonstrated commitment to HRD. In Australia ninety percent of the survey respondents

reported specific HRD budget allocations, the quantum (expressed as a percentage of total staffing budget) ranging from 0.5% to 2.00%, with a median of 0.8%. The U.K. survey, while unable to quantify the overall extent of explicit HRD budget provision, found a wider range in the quantum of budget allocations: 0.2% to 2.00% - but with a higher (1.1%) median than in Australia.

### **Developing Best Practice Guidelines for HRD – Two Approaches**

The surveys described above revealed a picture of how HRD is carried out in the Australian and U.K. academic and research library sector – a picture which could only be guessed at in the absence of any concrete and coordinated data. While that information in itself is valuable and forms the basis of comparative benchmarks, the next step planned in follow-on to the Australian and U.K. surveys has the potential to add further value and to extend the process of benchmarking based on these survey results. The objective is to use the survey results as a basis for developing HRD best practice guidelines, relevant to the context of each country and based on current professional practice as revealed by the surveys. The intention of that project – at the time of writing underway as a collaborative project between the Australian and U.K. survey researchers – is to develop best practice HRD guidelines which will both inform and measure HRD practice. By drawing from best practice examples revealed by the three surveys the overall “pool” of practice being drawn on is both larger in size and broader in character.

Another example of applied HRD benchmarks may be seen in the work currently being undertaken by the *Continuing Professional Development & Workplace Learning Section of the International Federation of Library Associations & Institutions (IFLA)* (<http://www.ifla.org/VII/s43/index.htm>). The Section currently has underway a project which aims to develop best practice guidelines for assessing the quality and effectiveness of HRD activities, programs and events. These guidelines, which seek to address variations in the needs of professional practitioners in a range of countries and cultures, are intended to articulate principles for ensuring the provision of high quality HRD for LIS staff world-wide (Varlejs, 2006). The guidelines firstly articulate basic principles of responsibility and obligations relating to HRD – responsibilities shared by individuals, their employing institutions, professional associations, and education providers – and the obligation to ensure equity of access to learning & development opportunities.

At the core of the guidelines are ten elements of best practice. These encompass:

- Regular learning needs assessment;
- Availability of a range of learning opportunities, both formal and informal; and in varied formats, and at a range of learning levels;
- Organizational commitment to HRD and leadership in advancing;
- Wide dissemination of information about HRD opportunities and resources, described;
- Alignment of HRD with identified needs – organizational and individual;
- Recognition of individuals' participation in HRD;
- Budget allocations for HRD – these according with established benchmarks, for example the jointly promulgated *IFLA/Unesco* HRD budget guidelines; (<http://www.ifla.org/VII/s8/proj/pub197.pdf>)
- Time allocation for participation in HRD activities;
- Evaluation of HRD;
- Research into HRD with a particular focus on the efficacy and outcomes of HRD.

The *IFLA CPDWL Section* best practice guidelines have been developed through reference to a wide range of extant information including survey data, published reports on HRD needs in the LIS sector, and professional practitioner input *via* IFLA conferences and other forums. The development of the Guidelines is an example of the application of the inherent principles of benchmarking – that is, that good or best practice should inform the development of standards which may then be used to both further guide professional practice and to achieve ongoing improvement in practice. These proposed guidelines, once their development and testing is complete and the endorsement of the pre-eminent international LIS organisation in place, have the potential to be an important resource for LIS organisations and practitioners world-wide who seek guidance on appropriate standards for HRD practice.

### **Benchmarking between groups of Australian libraries**

The final example of the application of benchmarking principles to HRD here presented is that of two initiatives which are currently under development in the Australian academic and research library sector. Both projects represent examples of a form of process benchmarking which explores the details of current HRD practice, identifies examples of good and/or best practice and seeks to achieve improvement in the overall

efficiency and effectiveness of HRD practice in participant organisations through benchmarking. Both initiatives are focused on benchmarking HRD policy and practice within groups of libraries – one a consortial grouping (CAVAL <http://www.caval.edu.au/>) and the other an Australia-wide affiliation of six medium sized and like-character university libraries (Innovative Research Universities (Australia) <http://www.irua.edu.au/>).

The form of benchmarking to be applied will be primarily concerned with measuring and comparing HRD practice and processes in each of the group's member libraries. This will be achieved firstly by identifying, comparing and generally sharing knowledge regarding current practice and processes, and then establishing best/good practice benchmarks which in turn will provide measurement points and/or opportunities to plan improvements in practice and processes.

There will be eight benchmarking dimensions, these broadly common across both of the projects, with some elements specific to each group where required. The benchmarking will encompass a mixture of practical and strategic elements with an emphasis on realistic, achievable and useful measures. The benchmarks are:

- Budget allocation – if there is a specific allocation for HRD, the quantum of that budget expressed as a % of total payroll costs, the elements covered by that budget, and budget models (e.g. central or distributed);
- If and how HRD activity is tied to organisational strategic plans and if/how strategic planning directs HRD program priorities;
- If any, and if so what, commonality is apparent in themes and priorities in extant or foreshadowed HRD plans;
- Tie-in to client satisfaction surveys – the extent to which the results of client satisfaction surveys influence the setting of HRD objectives, evidence of HRD investments improving client satisfaction survey ratings;
- How HRD plans are developed, documented and disseminated;
- Approval criteria and processes – how applications to undertake HRD activities are assessed and approved;
- How and by whom HRD is coordinated in consortium/affiliate group member libraries;

- If, and how, HRD programs are evaluated and the return on investment measured.

Both projects were endorsed by the respective groups in April/May 2006 with work to establish data collection and analysis processes proceeding at the time of writing. Broadly the benchmarking projects are envisaged as entailing, *inter alia*:

- Surveys, ideally using web-based survey instruments, of all group member libraries – those surveys focusing on the questions above;
- Data analysis of the survey data and preparation of interim reports;
- Follow up interviews with either all, or a selection of, the survey respondents. (These interviews will explore in greater detail issues of particular interest arising from the survey);
- Data analysis and analysis of interview results;
- Completion of final reports and dissemination to group members.

In keeping with the core principles of benchmarking the key intention of both of these projects will be that that, following the initial work to discover extant HRD practice and in particular good/best practice, there be ongoing review, comparison and improvement as and where necessary.

## Conclusion

Human resource development is widely recognised as a strategic organisational imperative. This is especially so in the LIS sector world-wide where the rapid pace of development and change necessitates maintaining and expanding the knowledge skills and abilities of those who work in the sector. Because HRD is so important ongoing assessment of the efficacy of HRD is equally important. Benchmarking of HRD can provide the means for this to be achieved, providing valuable insights into the effectiveness of HRD effort and the opportunity for ongoing review, assessment and improvement using identified sectoral best practice as the standard. Benchmarking is a tool for measuring effectiveness, identifying best or good practice and identifying ways in which practice might be improved. Benchmarking need not be difficult to do. As demonstrated by the examples of emergent HRD benchmarking practice in the LIS sector discussed here, HRD benchmarking may take on a variety of forms - ranging from relatively simple to more complex. In whatever form it takes, HRD benchmarking has significant potential to become a powerful tool in ensuring good and

improving HRD practice. The LIS sector already has a well established record in adopting and applying performance measurement processes, including benchmarking. Human resource development benchmarking is one further step along that road.

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