

## BENCHMARKING AS A STRATEGIC APPROACH TO GOOD MANAGEMENT PRACTICE AMONG EDUCATIONAL INSTITUTIONS IN NIGERIA: THE CASE OF UNIVERSITY MANAGEMENT

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### ABSTRACT

*The purposes of this paper was to propose and discuss benchmarking as managerial tool to develop the capacity of higher education institutions in Nigeria as to evaluate themselves at all levels and functions .There has also been considered as an effort to develop and apply performance indicators as aid to good management in the institutions. The paper concluded that higher education institutions should begin to benchmark their activities against those institutions that considered best-in- class in their operations in order to drive continuous quality improvement in efficiency in the face of dramatic fall in public funding per student. The paper established some of the benefits institutions can derive from benchmarking themselves, such as sharing of knowledge, improvement of institutional quality, exposition of people to new ideas, broadening of the institutions' operating perspectives, creating of a culture of being open to new ideas, serving as a catalyst for learning etc. The paper established benchmarking to be a potential vehicle to evolve, perhaps leading to a more innovative Nigeria University management in future. The position taken in this paper is that benchmarking should be undertaken by higher education in the country so as to learn from each other's best practices.*

*Keywords: benchmarking, management, university, higher education*

### BACKGROUND AND GENERAL INTRODUCTION

The term benchmarking was first applied to a process of organizational self-evaluation and self-improvement by Xerox; a part of Xerox Corporation that is a multi-national organization that found itself in deep trouble in the late 1970s

From the 1960s to the middle of 1970s, the profit of this organization rose because it had a monopoly on photocopier technology. By 1980 this organization saw its market share halve, because aggressive competitors moved in and beat it on the price, quality and other important measures. Xerox solution to its problem was to benchmark the way its photocopiers were built, the cost of each stage of production, the cost of selling, the quality of the services it offered and many other aspects of its business against its competitors and against any one else from whom it could learn. Whenever Xerox found something that someone else did better, it insists that the level of performance becomes the new base of standard in its own operation.

Today, benchmarking has become an everyday activity in rank Xerox. It adopted the guiding principles that "anything anyone else can do better, they should aim to do at least equally better"

(Cook, 1995). With this, benchmarking became tied to the organization quality management programmed, using it as one of most important ways of identifying where quality improvement needed in the organization. Not only has Rank Xerox world-wide improved its financial position and established its market share, but it has increased customer satisfaction since the past decades.

This method of comparing and evaluating of business, processes, products and performance against competitions, can be adopted and adapted in higher education institutions. With the drastic changes taking place in the environment of higher education, stemming from questions as to operational mechanisms, organizations functional, and managements capacity of the institutions to meet the requirements of increase enrolments, competitiveness and financial decline. In order to confront this new environment, higher education institutions should adopt new, more strategic approach that reflect analysis of performance, practice and processes within and between other higher education institutions. This will help obtain information for self improvement. The information will also enable these institutions to promote change in the direction that most likely lead to improvement.

Although higher education institutions in general and universities in particular are essentially not for profit public services, organizations are in no doubt, operating in a series of competitive market – local, national and global. In the commercial world, benchmarking is used to identify new innovation and more effective ways of doing things to gain and maintain competitive advantages. In the same way, in the world of higher education, gaining competitive advantage is not only an important motivating factor but institutional reputation, based on such matters as research standing, the public perception of the awards of the institutions, and the employability of graduate is also important. Therefore, benchmarking, refers to as “learning from other’s best practice” (Spendolini, 1992p. 15). It is positioned as another form of professional development that compliments the other kinds of ways that people learn. With this framework, the benchmarking experience lies on the fundamental objectives of learning something new from another organization and bringing new ideas from those organizations into an organization. A term that has gained importance in the past decades is the learning organizations. One of the implications of this concept is that organization needs to step outside of themselves and scrutinize their internal view of the world. This is done when one “exposes one’s own thinking and makes that thinking open to the influence of others. Within this context, benchmarking becomes a fundamental tool that can guide organizations through the process of looking to the outside for ideas and inspiration- in essence, a tool for the learning organizations.

In institution of higher learning, benchmarking should be used as a way of reinforcing peer groups and helping to maintain and enhance institutional reputation. Public confidence in the academic standards of institution is depended on mechanism for self-regulation and for external Quality assurance. As higher education market become more sophisticated there is a need to provide information that will enable degree outcomes to be compared and differentiated. To this effect, benchmarking is being developed to improve capability of higher education to demonstrate more transparent levels of comparability and difference between awards in different institution and subject.

Because the educational enterprise is underpinned by a range of administrative and managerial functions, technical and other support services, for example, registry, libraries, information technology (IT) infrastructure, financial services, personnel, estates, catering, student service, and so, on creative and cost-effective management of these function is essential if these institutions are to continue to deliver excellence in the face of declining per capital state funding and rapid change. It is benchmarking that provides the vehicle for sharing practice within these functional communities, identifying smarter ways of doing things and new solution to common problems. And quality of service offered to students and other clients and stakeholders.

### **Benchmarking: Definitions and Facts**

Benchmarking has become an accepted means of improving organizational performance. Today’s organizations are finding benchmarking to be an effective component in their total quality effort.

Benchmarking should involve two organizations that should share information about their processes and operations. These organizations anticipate some gains from their exchange of information.

Goetsch and Davis (1994,414) defined benchmarking as the process of comparing and measuring an organization's operations or its internal processes against those of best –in class performer from inside or outside its domain. The underpinning principle in this definition is that benchmarking is a process of finding the secrets of success of any given function or process so that an organization can learn from the information and improve upon it. Finally, and more importantly, benchmarking is a tool to help establish where improvement resources should be allocated.

As a process of comparing organizations, each learning from the other, has been identified by Morgan (2000, 53), who described the aim of benchmarking survey as “developmental”, to help organizations achieve their strategic objectives. Morgan did not see benchmarking merely as a matter of identifying best practice. Rather, it was a matter of looking systematically at, and learning from the practices and experiences in other organizations.

From its original conception from the world of business, Fitz-Enz (1993) looked at benchmarking as a process by which a company compares its practices and approaches to those of the best companies to identify ways it can improve. The basic idea of benchmarking, in this context, is to compare one's own way of working to the best possible way, learn from the best possible model, and become best oneself. Put differently, benchmarking is to compare and learn-learning something new and bringing new ideas into one's institution. In another instance, as an expert in benchmarking practices, Jack Fitz-Enz viewed benchmarking as an organized method of collecting data that can be used to improve internal administration, production, and service delivery (Fitz-Enz 1993). He further argued that as we go to school to learn mathematics, we engage in benchmarking to learn how to do something well. Robert Camp, who pioneered benchmarking at Xerox, coupled with the process of finding and implementing best practice to improve work processes that will satisfy the customers (Love day, 1993 p. 43). It was Price (1994, 5) who also coupled the process as “the open and the collaborative evaluating or improving best available practice” These definitions indicate that benchmarking is fundamentally an approach of self-evaluation through comparative analysis for the purpose of self-improvement. The two fundamental purposes of method of self-evaluation in higher education are:

- I. To facilitate improvement –development change, and
- II. To satisfy expectations and requirements for professional accountability (Kells, 1995: Jackson 1997b).

Jacksons (1998a) proposed a broader definition for benchmarking in UK higher education, which accommodates the notion of accountability as well as Here, benchmarking is looked at as a process to facilitate the systematic comparison and evaluation of practice, process and performance to aid improvement and regulation.

Camp (1989) argued that there are several bases on all business functions. According to all camp, benchmarking is the continuous process or measuring products, services, and practices against the toughest competitors or those companies recognized as industry leaders. There are several considerations in this definition requiring description. The first is that benchmarking is a self-improvement and management process that must be continuously to be effective that benchmarking implies measurement; that the process can be applied to all facts of a business, that benchmarking should be directed at those firms and business functions within firms that are recognized as the better or as industry leader.

For Bullivant (1994p.1), benchmarking is described as the continuous process of measuring products, services and practices against leaders, allowing the identification of best practices which will lead to sustained and superior performance. Simply put, benchmarking is “finding and implementing best practice” (Bullivant, 1994:1) This definition implies that benchmarking is an important tool to assist in the management of change, that presume a commitment “to do things better” and requires an

organization to already have examined its internal processes and their relationship to cooperate goals, customer satisfaction etc.

Finally, a definition by Spendolini (1994) created what he called benchmarking menu from which he created a definition called benchmarking. Thus, he defined benchmarking thus:

*A continuous systematic, process of organization that are recognized as representing best for the purpose of organizational improvement, p.9*

### **Benefits of Benchmarking**

Benchmarking brings many advantages to an organization according to Cook (1995:15) benchmarking:

- a. Set performance goals.
- b. Helps accelerate and manage change
- c. Allows organization to see “outside the box”.
- d. Generates an understanding of world-class performance.

Referring to the relevant of benchmarking to public sector organizations such as the hospital, Bullivant (1994) said that benchmarking in public sector is about people. It is about providing the best services possible with least overheads and least delay. It is achieved by close examination of current services and comparison and learning from those who have already achieved success. In the hospital, it is about getting the patient to the best treatment as quickly as possible, consistently with their needs.

Benchmarking helps staff in the hospital and outside working together to achieve that care for patients. Began and English (1994) acknowledged that front-line managers are using benchmarking in many new and creative ways. These authors agree that benchmarking helps organizations to study the experiences and competitive strategies of other organizations. The strategic lesson learned by other organizations and industries can help organizations refine their strategy; project the possible outcome of changing their present course, and forecast potential shifts brought on by changing market circumstances. Another benefit identified by Bogan and English is that benchmarking enables an organization to get outside its conditioned responses or customary structures of thinking; by rethinking the rules of the game for each of its core functions. Furthermore, benchmarking provides a potent source for incremental changes and improvements.

Bogan and English (1994:14) provide a full list of benchmarking benefits cited by practitioners. Bottom –line summaries always suggest that benchmarking:

- Improve organizational quality.
- Leads to lower cost positions.
- Creates buy in for change.
- Exposes people to new ideas.
- Broadens the organization’s operating perspective.
- Creates culture open to new ideas.
- Serves as a catalyst for learning.
- Increases front-line employees’ satisfaction-through involvement, empowerment, and a sense of job ownership.
- Overcomes front-line employee’s natural disbelief that they can perform better.
- Raises the organization’s level of maximum potential performance.
- Finally, benchmarking teaches organizations new lessons in competitiveness

## Implications of Benchmarking for Improving Educational Processes in Nigeria

Increasing globalization of higher education and the consequent extension of “competition” beyond national boundaries makes it incumbent on Nigerian education policy-makers at both sectoral and institutional levels to look to practices in other organizations to inform their decision. This pace of rapid change is premised on the assumption that no single organization can ever control or dominate all effective operating practices and good ideas. For higher education institutions to be market leaders in their managerial and educational process, they must look outward as well as inward for constant and continuous improvement and new ideas. Traditional target setting methods in higher education management seems likely to fail Nigeria higher education management and has blinded them to competition. These institutions have to look far and wide for better operating practices, as one of the best sentinels higher education leadership in Nigeria can post along the watchtowers of their institutions. Benchmarking otherwise referred to, in this sense as “outreach activity of comparing themselves against other educational institutions and or organizations. This will help higher education institutions achieve their strategic objectives and gain other benefits that can accrue from learning from other’s practices. In this framework, benchmarking serves as an aid to good management.

Benchmarking is a powerful tool which can be applied to virtually every function in higher education organizations. Bearing in mind that these institutions are in a dynamic state of flux, benchmarking can help these institutions glean some important insights by studying the experiences and competitive strategies of others. In short, it will help them set and refine strategy.

As pointed out by Bogan and English (1994), one of the benefits of benchmarking is to reengineer work processes and business systems of organizations. In essence, benchmarking will enable higher educational institutions in Nigeria to see things differently, and get outside their conditioned responses or customary structures of thinking. Other benefits which higher education institutions in Nigeria can gain from benchmarking include the continuous improvement of work processes, strategic planning and goal setting, problem-solving, education and idea enrichment, performance comparison and evaluation and catalyst for change (Bogan and English, 1994, pp9-12).

In line with Camp’s (1989, pp.9-10), benchmarking, when successfully executed, can provide institutional managers in higher education the following ways:

1. It enables the “best practices” from one institution or organization to be creatively incorporated into the processes of the benchmarked function.
2. It can provide stimulation and motivation to the professional whose creativity is required to perform and implement benchmark findings.
3. Benchmarking can help Nigerian higher education institutions to identify technological breakthrough that would not have been recognized and thus not applied, in their own institutions for some time to come, such as educational processes and outcomes, learning environment, improvement of departmental systems, for managing quality and standard, student experience, outcomes of learning, key skills using national standards, student recruitment, and learning infrastructure.

## CONCLUSION

Benchmarking has been identified as an important strategy for continuous quality improvement program in organizations. The process has been legitimized in terms of its capacity to inform the future development of concerned organization seeking to reach high performance. Benchmarking is established to be achieved by close examination of current services and comparison other organizations and learning from them that already achieved success.

When applied to institutions of learning, benchmarking has demonstrated how external pressure on these institutions can be maximized for productivity in both academic and administrative spheres, while simultaneously cutting costs and maintaining or increasing quality of provision; resulting in a range of review and evaluation mechanisms. Most importantly, benchmarking has been seen as an activity that has the capacity to energize and sustain continuous quality improvement as catalyst to drive a continuous search for improvement. It can also bring new energy to the quality of the management of educational institutions in general, and a way of managing change.

Finally, the drive for higher education institutions to establish mechanisms for evaluating their own performance is clearly rooted in benchmarking, for a much more cost-effective, publicly accountable and regulated higher education's systems. It is assumed that if higher education institutions are to survive and prosper in an increasingly competitive and market oriented environment, performance assessment will continue to an essential managerial tool; in this case benchmarking.

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