

# Benchmarking between training providers as a permanent and effective quality assurance tool

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## Challenges of training providers

The market situation of training providers has changed in comparison to earlier times, especially for government driven or other training organisations which to some extent are funded by government money or the money of other umbrella organisations. These training organisations must get familiar with the fact that they are more and more in competition not only with each other as public education and training providers, but also as providers acting in an open (national and/or international) training market. The challenge is to get prepared for the competition against private providers/colleges, which offer similar programmes and products for the same target group.

To compete against private providers, training organisations firstly need to find out, whether the important key performance processes of training organisations, which assure their competitiveness, are existent and work well in their organisation. Secondly, they need to implement those processes, which are still missing but would increase the performance of their organisation. In total, training providers need to offer more interesting products and programmes than their competitors have in place, they need to have a well-working sales- and marketing-management, the knowledge delivery process must be outstanding - because this is the basic product of a training organisation - and the organisation needs an efficient process- and financial-based controlling system.

Regarding this, the establishment of a Quality Management System (QMS) should be the first step to achieve efficient quality control and to implement important processes. However, the QMS-certification is not necessarily the end of the quality journey, because QMS often does not focus on the assurance of the competitiveness of organisations. Key performance indicators – for example the existence of a well-working sales strategy – do not often play the first role in QMS. Therefore it is necessary to go a step further: Continuous benchmarking makes it possible to identify the own position against competitors and to determine interventions to improve the internal learning curve of the organisation in order to achieve excellence and leadership. Benchmarking focuses on the key performance indicators to assure the competitiveness of training providers and realises a faithful cooperation between the participants. Insofar training providers can benefit from each other by sharing their good solutions for their day-to-day-business. Furthermore, training providers find out about processes and good solutions that make

organisations successful. They have the opportunity for performance improvement by adapting success-stories and good solutions.

## German Benchmarking-Network

Within the framework of a project concerning the development of support services for managers of training providers, the Central Agency for Continuing Vocational Education and Training in the Skilled Crafts (ZWH, Germany) has developed a benchmarking set in 2005 in cooperation with and based on the benchmarking method of PerformNet AG (Switzerland). This benchmarking set of ZWH is specialised for training providers in the field of vocational education and training.

The focus of our benchmarking model is to enable a transparency of organisational processes of training providers, the comparison of the processes between training providers and the identification of good solutions of training providers concerning the introduction, operation and improvement of these processes. It is not focused on setting up a ranking between training providers to find out who is best and who is worst. First of all we are interested in the structure of training providers to find out what processes are enabled. And secondly we would like to know how these processes look like and how they are operated. That means: We have a look on the establishment of a faithfully collaborating network of training providers, which are willing to analyse their own deficiencies and their potential in order to discuss their problems on the one hand and to benefit from the solutions of others by sharing good solutions on the other hand.

Meanwhile, we have established a well working benchmarking network for training providers in the field of vocational education and training in Germany. Training providers from 15 chambers of trades and crafts participate in this network. Now we are looking forward to enlarge this network step by step.

The topics within this network are concentrated on the following balance points:

controlling	demand management	sales	operations and development
cash flow management costs control profitability	business planning demand generation offer management	sales management post sales marketing partner management pipeline management sales pricing	personnel utilisation course quality infrastructure mgmt personnel development curriculum planning developm. of contents delivery channels

These balance points are the subject of study concerning the comparison of existing processes and the exchange of solutions and experiences.

# Five Steps of the ZWH-Benchmarking-Model

The benchmarking cycle of activities consists of five steps. After finishing the last step, the whole process starts again in terms of a continuous quality assurance.

## 1.) Kick off workshop

The first step consists of the accomplishment of a kick off workshop for all new participants. We usually invite 2 or 3 people from each training provider to visit this workshop, because in our experience it is most efficient, when more than only one person is involved in the benchmarking process.

First of all we use this workshop for the introduction of the benchmarking model, the action plan, the tools and instruments and the next forthcoming steps. Secondly, we use this workshop furthermore to become acquainted with the new participants and of course we want the participants to become acquainted with each other to enable a good collaboration between all members of the benchmarking network.

The most important tool we use is a standardised questionnaire that consists of more than 140 questions concerning the structure of processes and operations that should be enabled in the training organisation. We show and discuss this questionnaire as long as necessary to make sure that all questions can be answered and will be accepted by the participants.

## 2.) The benchmarking questionnaire

The second step is to complete the benchmarking questionnaire. This will be done by the participants themselves, without an official auditor. Insofar the questionnaire is a tool for the self-assessment of training providers.

In the frame of our German benchmarking network we pointed out that – without an official auditor - it would be easy for participants to temper some answers to appear better than they are. However, the participants of the German benchmarking network wanted this questionnaire as a self-assessment and indicated that this benchmarking model is not about "being the best" or "being the number one of all participants". It is about finding the gaps in their own organisation and sharing experiences and solutions with partner organisations to improve their own organisation.

Furthermore, they pointed out that particularly those participants, who are high-ranked because of a high number of existent processes, will be asked by the other participants, who feature missing

processes and would like to know, how those processes could look like. High-ranked participants will need to avow themselves in front of the group of others and this will be the point at the latest, when manipulated results will be apparent.

To cut a long story short, every participant of the benchmarking network has to complete the questionnaire and deliver it to us for analysis and comparison of the individual results with those of all other participants.

subject to review	scoring guidelines	scoring guidelines	scoring guidelines	result
	answer "a"	answer "b"	answer "c"	
Student feedback processes in place (for each course)?	Yes.			A
Formalized follow-up process in place depending on the feedback?	Yes.			A
Financial calculation for each course in place?	Yes.			-
Management getting quality feedback directly from participants and/or customers?	Yes. Feedback from participants and customers.	Yes. Feedback from customers.	Yes. Feedback from participants.	C
Getting quality feedback from instructors?	After >= 95% of all courses.	After 94-90% of all courses.	After 89-80% of all courses.	B
Every employee has a training & development plan?	Yes.			A
Clear customer segmentation in place?	Yes.			-
Standard guideline for discounts in place?	Yes.			-
Sales report in place (including Win/Loss reasons)?	Yes.			A

The table shows an extract from the questionnaire. For that extract, we have picked out and mixed up some questions from different thematic fields of the questionnaire. Most of the questions are to be answered either with "yes" or with "no". We only ask whether these processes are existent or not. If we were to go further and ask how these processes are completed and how they look like, we would encounter difficulties to achieve compatibility of the training providers. It is impossible to define the one-and-only sample solution, which is the best solution for all training providers. We assume that each training provider needs to find his own sample solution that fits into its context, terms and conditions.

However, the existence of processes can be compared. And that is what the benchmarking questionnaire is about: the counting of existing and missing processes in training organisations.

Closing this illustration it is to say that each process results into a specific number of points. In other words: points will be given, if processes are existent. If a process is missing, no points are assigned. In the end all assigned points are totalised. This number of points can be compared with the result of other training providers. Of course it is furthermore interesting to know, how the training providers complete the different processes, because this knowledge is the real benefit of a comparison and makes it possible to learn from each other. To realise that exchange of solutions and experiences, we will arrange semi-annual workshops, which is step five of the benchmarking model.

### 3.) Ranking Results

Step three is the analysis and the comparison of all results. The evaluation of the completed benchmarking questionnaires is the duty of the head organisation of the benchmarking network. The participants just have to wait for the deliverable results after completing and delivering.

Each participant gets two kinds of deliverables:

1. The first kind is an individual analysis of the completed questionnaire.
2. The second kind is the result of the comparison of all completed questionnaires compiled in terms of a ranking between all training providers. This shows the amount of existent processes implemented in the training providers separated in different thematic fields. That makes it possible for all training providers to recognise, in which fields of business processes they are well positioned and in which fields they have less existing processes.

### 4.) Performance Improvement

The individual and the ranking results are the initial point for the participants to develop an individual strategy and to appoint a focus for their improvement. Based on the benchmarking results they can see which processes are still missing in their organisation and identify their needs for improvement.

After appointing this, each participant verbalises his special point of interest concerning how the other training providers are operating processes. They deliver their questions to the coordinating organisation of the benchmarking network. Now the questions need to be assorted and those training providers which can possibly help or benefit from each other, must be brought together.

Furthermore, based on the feedback of the participants, two annual workshops are to be prepared to discuss the ranking results and to talk about special fields of business processes.

Example: If a training provider finds to have fewer processes in the field of sales management in comparison to other participants of the benchmarking network, this discovery could be the initial point for the improvement of their own sales strategies. In this context it would be beneficial to talk to training providers with good and plenty experiences in that field. Through benchmarking those deficiencies - on one hand - and suitable partners for the exchange of experiences - on the other - hand can be identified.

## 5) Exchange of Experiences

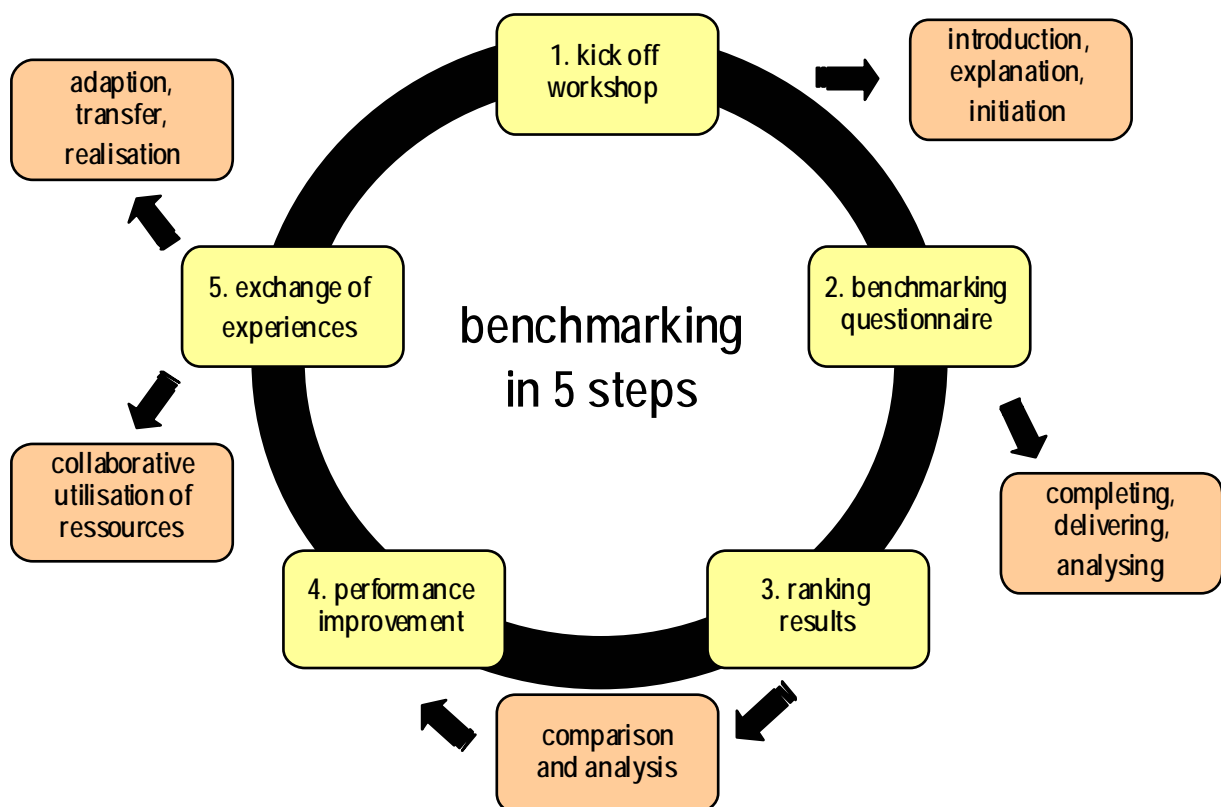
The fifth step of the benchmarking action plan consists of workshops for the exchange of experiences and good solutions between the members of the benchmarking network. For that matter it is necessary to differentiate between two kinds of workshop concepts.

1. On the one hand we implement workshops for the discussion of the benchmarking results. That is not easy, because the needs of the participants as well as their expectations and wishes to talk about is different and therefore difficult to structure or rather to cover the full range of topics in a workshop. To handle these different expectations we sometimes recommend a bilateral collaboration between two or more training providers.
2. Furthermore, we implement workshops that deal with single fields of business processes, for example "sales", "human resources" or "financial controlling". In those workshops we filter and connect single business processes of the same field and ask the members of the benchmarking network to share their experiences with the whole group. Meanwhile, it is approved that during such a workshop four or five managers from different training providers of the benchmarking network make a speech and report to the audience about their strategy concerning for example their "human resources development". These speeches are initial points to open up the group discussion. The themes of those workshops depend on the wishes of the participants. Their desired topic of conversations is to be asked some time before the workshops.

Beside the implementation of workshops, we recommend another method to collect good solutions for the transfer within the benchmarking network. In that matter the benchmarking questionnaire is the initial point for bilateral talks between each member of the benchmarking network and the coordinating organisation. In these talks it is to be investigated how the implemented processes – that are requested in the benchmarking questionnaire – are exactly operated and fulfilled. That is more or less a kind of qualitative research. The expected result of these talks is the knowledge of how the requested

processes are operated by training providers. This knowledge will be summarised and provided to all members of the benchmarking network.

## The benchmarking action circle



## Options for participation

The philosophy of our benchmarking model is simple: We do not aim on assigning the good and to put down the bad. We try to help training providers to feel the pulse beat of their organisation and find unused and undiscovered capacities. Therefore, it can be helpful to compare the own organisation with others to get rid of blinders and tunnel vision. We are strongly convinced that an exchange of experiences and good solutions can be a benefit for all involved partners. Therefore it is necessary to develop a setting, where all participants can faithfully cooperate with each other and share their problems, needs, but also good solutions and formulas for success. We, as the initiator of this campaign, moderate the collaboration and structure the action plan. Furthermore, we reinforce and edit the collected data and good examples to provide it for the network.

Training providers interested in participation can take part quickly and easily, whether they are located in Germany or elsewhere. Our benchmarking questionnaire is available in German as well as in English. Therefore, it is possible to arrange a cross-national comparison. Furthermore, it is imaginable to establish further national benchmarking networks that can be linked to the German benchmarking network. This option would make it possible to assure a national exchange of experiences on the one hand and a cross-national exchange of experiences on the other hand.

To push these ideas forward we currently run a marketing campaign and would be pleased to get in contact with interested organisations. Contact: Dr. Mark Sebastian Pütz, [spuetz@zwh.de](mailto:spuetz@zwh.de), Phone: ++49 / (0) 211 / 30 20 09 – 26.