

“We Only Want to Be as Good as They Are”: The Limitations of Benchmarking and the Value of a Model of Excellence

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Over the past two decades, the process of “benchmarking” has become quite popular globally. The web site iSixSigma.com provides the following definition and explanation of benchmarking:

[Benchmarking is] the concept of discovering what is the best performance being achieved, whether in your company, by a competitor, or by an entirely different industry.

Benchmarking is an improvement tool whereby a company measures its performance or process against other companies' best practices, determines how those companies achieved their performance levels, and uses the information to improve its own performance.

Benchmarking is a continuous process whereby an enterprise measures and compares all its functions, systems and practices against strong competitors, identifying quality gaps in the organization, and striving to achieve competitive advantage locally and globally.

No question that benchmarking and improvement strategies such as Six Sigma have helped hundreds or thousands of organizations raise their level of performance. That's the good news.

So what's the downside?

It's the counterpart of the upside. The most likely end result of good benchmarking is that *you will become as good as the best*. Of course, by the time you reach that point, the best have moved on (if they continue to do what they did to be the best) and you are no longer as good as they are. The same will apply if you set out to be 'better than the best'. The world moves too fast for a snapshot benchmark to be valid over time.

If you are behind in a race and only run as fast as the leader, physics suggest you will never catch up. To catch or surpass the leader, you have to run faster. This cannot happen by benchmarking – you have to take a different kind of action to become the best. In addition, it is important to know that this will be a continuously evolving process built on creativity and will require that you always push the boundaries.

How can you do that? What does it take?

Go to www.simpletruths.com and look at the video called “212°: The Extra Degree.”

The first half of the video (the second half is about the individual) tells us how much difference it takes to make a difference in professional golf, the Indy 500, and the Olympics. They quantify the 1° of difference!

“Benchmarking” means that you want to be as good as the best used to be. Perhaps that's good enough. We doubt, however, that most CEOs would be willing to stand before their board of directors, stockholders, or donors and tell them that. For most stakeholders “good enough is not good enough.” Most of us want to be better. If that is not the case, then you've already read more than is useful

On the other hand, if something about this argument strikes you, read on.

A Model of Excellence Can Be the 1° of Difference

What's a Model of Excellence?

A model of Excellence is a tool for identifying for a role in a specific organization what motivational and attitudinal patterns (a) differentiate high performers from others and (b) what patterns within the role are significantly different from those of a Standard Group such as a country culture.

Once one knows the patterns in both categories, it is possible to build a computer model using the statistics related to the identified motivational and attitudinal patterns to tell you how closely an individual's patterns approximate those of high performers and to what extent each pattern contributes to that approximation!

Why is that important?

Because of something called motivational and attitudinal patterns. Motivational and attitudinal patterns are below-conscious elements of an individual that help us manage our experience. They serve as filters and translators for what is going on around us. As such, they are the proverbial "headwaters" of our performance process, lying upstream from decision-making and action based on competencies and abilities.

Research on performance by jobEQ and The Institute indicate that in the vast majority of cases a Model of Excellence based on motivational and attitudinal patterns will account for at least 40-50% of performance predictions for a role within an organization and has shown predictability as high as 75%!¹

Why can't we use the information from a Model of Excellence to predict performance across an industry or profession?

Because of a phenomenon called "context." Context represents the milieu within which one is performing. Contexts for an individual might include work, family, play, or community service. And, unlike factors such as native intelligence or personality, motivational and attitudinal patterns may shift in different contexts. Further, patterns related to performance in a role may differ based on the nature of a business, the culture of a company, the region within which business is conducted, etc.

We developed one Model of Excellence for which a "comparative sales performance model" would have been a "bust". In the study, we learned that two sales organizations—inside the same company and managed side-by-side—were as different as day and night both in terms of the sales behaviors required to be successful and the motivational and attitudinal patterns of high performers! Neither management nor the HR organization had a clue that this was the case. Oh, managers knew there were some differences, but they could not articulate what they were. And, HR would recruit and screen to fill sales vacancies and did not make a meaningful distinction between sales positions in one organization versus the other.

The results of this study were reinforced by the performance of three representatives who were cross-selling in the two organizations. The three were high performance in the one sales business but were rated as significantly lower performers in the other. So, high performance in the one sales business did not translate into high performance in the other. What evidence of the difference motivational and attitudinal patterns make!

¹ For more information, see www.jobeq.com and www.iwaminstitute.com.

How powerful is a Model of Excellence?

The Models of Excellence developed in the sales study above yielded a performance predictive factor (r^2) of 49% for one group (more traditional sales) and a whopping 76% for the other (consultative selling). The performance predictive factor gives a good approximation of what portion of overall performance can be accounted for by motivational and attitudinal patterns. In this case, the Model of Excellence was a clear indicator that in the consultative business, motivational and attitudinal patterns were more powerful than all other factors combined!

Conclusion

This article is not an argument against Six Sigma nor is it anti-benchmarking. Both have an important place in the world of continuous improvement. In fact, both might be a *necessary condition* for becoming almost as good as the best.

They may not, however, be a *sufficient condition* to be the best. That might require the 1° of difference supplied by a Model of Excellence.

Why not check it out and see if a Model of Excellence could be the difference between a gold medal in your business and finishing in nth place in the race?²

About the Author

Carl L. Harshman, Ph.D., is a former business professional, college dean and professor, and founder of Carl L. Harshman & Associates, Inc., an organizational and leadership development consulting firm. In addition, in conjunction with jobEQ, he founded The Institute for Work Attitude & Motivation to promote education, research, and use of a tool to assess motivational and attitudinal patterns.

² For an executive summary of the study mentioned in this article, go to the Institute web site: <http://www.iwaminstitute.com/index.php?page=iWAM-Research>.