

Better practice studies and what they can do for your IS function

Better practice and benchmarking are all about continuous improvement. They benefit IS functions at all stages of their development by showing them how to migrate to more added value services.

Better practice studies and benchmarking studies are two ways for IS functions to measure their effectiveness and the level of service they are providing to internal and external clients.

Better practice studies are often confused with benchmarking studies, an unfortunate mistake that leads many IS functions that could otherwise gain substantial benefits from participating, to overlook them.

In brief, benchmarking studies focus on quantitative measures and thus IS functions can assess where they are in the ranking. Such studies require good information systems and a substantial commitment in time, liaison with fellow participants, fine tuning definitions and collecting comparable data.

What is a better practice study?

A better practice study is a systematic process for evaluating work processes. Participant IS functions that are achieving efficiencies or have implemented innovative processes are interviewed to verify findings and to gather facts about how their particular success story came about.

A better practice study analyses the practices IS functions are using and an evaluation is made as to which are the better practices. Information is gathered via a questionnaire and interview. As involvement takes between 1-2 hours for participants, this is a far more efficient way of measuring one's effectiveness.

Why join a better practice study?

Participants use better practice studies to:

- support their desire to continuously improve
- save time by finding pragmatic solutions
- reduce the risk of failure by copying successes
- feel good about their achievements
- help sell initiatives within their organisation
- create an IS team that enjoys coming to work

Many participants also want to find out how the service mix within their function can maximise value to their clients - how their function can get a "thumbs up" rating from the CEO down. Often the best way to learn is to replicate or be inspired by the innovative practices from other IS functions.

If you are serious about continuous improvement you need to constantly learn from other IS functions adopting tried and tested processes rather than risking time consuming rebuilds.

A common theme, and one which might explain how leading IS functions keep getting better, is that they are using continuous improvement strategies.. Participation in a better practice exercise is also a useful, authoritative reminder to “leading edge” IS functions of how much they have already achieved.

If your IS function has a long “to do” list then you have the most to gain from participation. It is quicker, more cost effective, and easier to focus on specific areas for improvement which have already been identified by a better practice exercise. A company with an E commerce procurement project may not realise how quickly they can be installed when kept to the basics.

Comparison internationally or locally?

A question often asked is should we compare our IS function internationally? The answer is clearly yes when you have matched the better practices that already exist in New Zealand. Remember that many New Zealand functions are already benefiting from overseas examples: many of your peers have worked abroad and have brought better practices with them. Another issue is that leading companies are looking to gain from information sharing as much as any new participant in a better practice study. Thus they need participants who have something to offer.

Warning signals

Over the years what has become increasingly clear is that IS teams who stick to the status quo of ‘acceptable performance’ will soon find themselves slipping backwards, rather than keeping abreast of current practices. If you can tick more than three of the points below then maybe it is time to compare and participate in a better practice study.

Checklist
1. Never ending IS projects
2. Lack of pressure from senior management
3. ISSPs that go on forever
4. Benchmarking left to poorly targeted network meetings
5. Lack of knowledge about better practices
6. IS staff get performance feedback only once a year
7. Over 20% of your key IS staff time is spent in meetings
8. Training is left to conference attendance
9. Recruitment is based on the interview
10. There were more than 10 changes to the last off the shelf package
11. A user satisfaction survey is being postponed to next year
12. The disaster recovery test is deferred again
13. IS staff have not bought into continuous improvement

Do not get sucked into sector navel gazing

Probably the greatest waste of benchmarking resources is sector navel gazing, ignoring the fact that there is comparable data available from many other sectors.

Unlike other studies that only compare data from functions within one sector, all the *waymark solutions* studies are cross sector based, so you’re able to get ideas from a wider range of functions. Often it’s the examples from companies totally different to yours that point the way forward to new and more effective methods. Our

experience indicates that studies that compare different functions in the same sector don't have the same wealth of new ideas, which a cross-sector study uncovers.

One is reminded of the North American airline who wanted a quicker turnaround time for their aircraft at stopover points. Instead of travelling the world, clocking up many flying miles and visiting alliance partners, they thought "outside the square". They turned to a team that thought a second wasted was a travesty - a formula one pit crew. Instead of shaving off minutes they shaved off an hour.

Last words

- **good IS functions keep on getting better**
- **make innovation and initiative key competencies for your next recruitment round**
- **other IS functions are willing to share their better practices**
- **take your IS staff to better practice sites and watch the result**

* *waymark solutions limited* run better practice studies throughout the year. . The firm specialises in the measurement of performance, practices and satisfaction. David Parmenter is the Managing Director and can be contacted on via phone (04 499 0007), Email: parmenter@waymark.co.nz, or you may wish to visit our web site: www.waymark.co.nz