TEQSA Guidance Note
Benchmarking

Overview

Benchmarking can be defined as a structured, collaborative, learning process for comparing practices, processes or performance outcomes. Its purpose is to identify comparative strengths and weaknesses, as a basis for developing improvements in academic quality. Benchmarking can also be defined as a quality process used to evaluate performance by comparing institutional practices to sector good practice.

Benchmarking needs to accommodate the significant contextual variations that exist in the Australian higher education sector between providers with different missions, educational and student profiles, and scale of operations. It is important for higher education institutions at the outset to identify the purpose of benchmarking. The purpose of benchmarking is not to standardise all courses and all assessment outcomes, but to reveal variations, and establish whether those variations arise from the individual nature of the courses or the student cohorts, or from variations in quality or academic standards.

Points of Guidance

Characteristics of benchmarking in higher education

The broad types of benchmarking include:

1. **Organizational benchmarking** in which comparisons are made at the organizational level (institution, faculty/department, school, course and unit levels)

2. **Course benchmarking,** of course design and student performance

3. **Process benchmarking** involving comparisons of particular processes and practices

4. **Outcomes benchmarking** is about the comparison of outcomes data, especially student outcomes

5. **Best practice benchmarking** in which the provider selects a comparator thought to at the forefront in the area to be benchmarked.

Higher education institutions may use one or more types of benchmarking at the same time. The Threshold Standards do not prescribe that a provider should undertake all of these types of benchmarking. But Provider Registration Standard 5.6 requires a provider to compare its performance on teaching, student learning outcomes, graduate outcomes (which includes both graduate employment and further study), and research (where applicable) with other higher education providers.

PCAS 5.5 specifically refers to course benchmarking, not only of intended academic achievement standards but also of student performance data relevant to outcomes (see below). The former is taken to mean a systematic external comparison of course design features of a proposed course with comparable courses at other providers, including admission criteria, assessment tasks, student work samples and assessment criteria. Student performance data relating to outcomes would normally include: attrition/retention rates, student progress and

completion rates. It would again extend to student and graduate satisfaction outcomes, graduate destinations, graduate employment and further study outcomes.

Benchmarking Exercises

Benchmarking exercises will characteristically investigate the interaction of processes and outcomes.

Before embarking on a benchmarking exercise, providers should consider:

- Who are the prospective/suitable partners?
- What will be measured?
- How will results be compared between the partners?

Choices or trade-offs will need to be made between breadth (number of partners) and the depth of assessment, as it will be more feasible to investigate more deeply with a smaller number of well-matched partners. Some providers will prefer to benchmark with partners at the level they aspire to rather than with their peers.

For providers considering benchmarking which is more investigative in nature and which goes beyond the sharing of data there are six key phases, which are explained further in *Appendix A*.

As outlined above, benchmarking is more than the comparison of data. It is a process of continuously monitoring and evaluating the quality and effectiveness of a provider's operations.

The Threshold Standards do not prescribe any particular process, but here are some indicative elements that would contribute to meeting the expectations for benchmarking in the Threshold Standards:

- Identify areas for improvement and areas of good practice
  - Evidence could include benchmarking reports
- Analyse the reasons for any variation or commonality
  - Evidence could include benchmarking reports and follow-up interviews
- Formulate improvement strategies
  - Evidence could include action plans or elements of other plans
- Report the results and analysis of benchmarking, which should be internally considered by the appropriate governance body or person.
  - Evidence of consideration could include minutes of meetings, emails, or file notes
- Implement the agreed action plans
- Review the outcomes of the implemented actions, both against the expected outcome as well as against subsequent benchmarking results
  - Evidence could include progress reports back to managers and governance bodies.

Institutional context

For benchmarking to be successfully implemented in HE institutions it has to become the 'way things get done'. Institutional processes need to support benchmarking exercises, including policies and procedures and adequate resourcing needs to be considered, including

administrative and management support. For benchmarking to be a key strategy for institutional organisational change, it needs to be endorsed and supported by senior executive leadership. For benchmarking exercises to be truly successful, there has to be a bottom-up empowerment where there is sharing of expertise. Collaboration and openness are key ingredients for effective benchmarking exercises. Benchmarking becomes a shared conversation and a form of peer development, as well as a mechanism to drive institutional change and quality improvement.

Relevant references

The **Office for Learning and Teaching's Resource Library** contains a collection of higher education learning and teaching materials flowing from projects funded by the Australian Government, including those from the Australian Learning and Teaching Council. See <http://www.olt.gov.au/resources/good-practice>.

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TEQSA contact

For further information about or discussion of TEQSA's view of *benchmarking* please contact your case manager in the first instance.

Appendix A: Six Phases of Benchmarking

Phase 1: Concept and Scope

This phase is about deciding what type of benchmarking do we use, how are we are going to undertake it and with whom? Providers need to have a shared commitment and understanding of benchmarking goals.

Phase 2: Plan & Design

This phase is critical in identifying and agreeing on the benchmarking project's objectives, scope (as well as what is not in scope), schedule, allocation of tasks, timelines and deliverables. and development of a project plan, project team, reference group, and communication plan).

Phase 3: Self Review

This phase includes: planning self-review activities; identifying key stakeholders to answer particular sections; writing up institutional context statements for peer review workshop; collecting evidence from as many sources and stakeholders as possible; triangulating the evidence, using focus groups, surveys and interviews to gather data for analysis and consideration.

Phase 4: Peer Review

A common and useful element of the review process is to conduct a peer review workshop (either face-to-face and/or Skype) with the benchmarking partners comparing processes and data. The key aims of the workshop are:

- To identify areas of good practice
- To identify areas for improvement
- To identify areas for sharing and collaboration

The peer review workshop is also an external validation and calibration exercise to assist institutions to understand the quality of their processes.

Phase 5: Communicate and Implement Improvements

This phase is about communicating the findings from the peer review workshop and implementing improvements. Discussions need to consider who is responsible for carrying out these improvements and do these improvements carry significant budget implications. Reports need to be submitted to the appropriate academic governance body or manager.

Phase 6: Evaluate and Review

This phase is about evaluating the effectiveness of the benchmarking exercise. What were the outcomes? How useful were they? Were they implemented?