

# A CRITICAL EXAMINATION OF THE CONCEPT OF 'BEST PRACTICE'

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In contemporary business many words have entered the lexicon of everyday use. The expression 'world class' is used to describe those organizations that are believed to be exemplars of how to achieve superior levels of customer service. As those who advocate becoming world class organizations suggest, the challenge for those who wish to improve their ability to provide customer service is to learn what such organizations do in order to achieve this status, and, therefore, to consider how they may implement 'best practice'. A recommended method of learning best practice, we are informed, is to use a management technique called benchmarking. This paper considers what this technique involves, and, more particularly, what is meant by 'best practice'. By drawing upon data elicited during a research project carried out in partnership with, amongst others, West Midlands Royal Institution of Chartered Surveyors (RICS) and Birmingham TEC we explore how a number of surveying practices in the West Midlands have attempted to implement benchmarking in order to achieve best practice. As we, like the surveying firms, have discovered, 'best practice' is an extremely vague and nebulous concept. Thus, we contend, if organizations in the construction industry are to engage in the sort of long-term improvement suggested in the Egan Report, there is an urgent need to appreciate these difficulties. As we conclude, we in academia must be prepared to assist practitioners by facilitating understanding of what benchmarking to achieve best practice really involves.

Keywords: benchmarking, best practice, customers, improvement.

## INTRODUCTION

As Prescott (1995: 9) argues, that because of what he suggests is 'fierce competition', 'organizations [are] becoming more customer- and quality-orientated'. In order to deal with such competition, Prescott describes what he believes are the ten essentials that characterize being 'world class', and which, he advises, all organizations should use to appraise and develop their performance in order to improve customer satisfaction. One of the most crucial parts of becoming world class, he explains, is for an organization to compare 'their performance and business results against [those] of the best of the competition at home and abroad (benchmarking)' (Prescott: 16). The result of this for organizations, he asserts, will lead to them having greater ability to respond to more demanding customer expectations, and crucially, to their business performance. Accordingly, advocates of benchmarking assert, benchmarking against competitors is a legitimate technique that allows firms to learn what 'best practice' exists elsewhere, and, as a consequence, therefore, to apply it themselves in order to produce 'competitive advantage' (Sadler 1995).

The message that those who support the argument that learning best practice wish to promulgate both apparently simple and extremely persuasive, frequently summarizes

by the maxim, 'get better or get beaten'. As these advocates explain, failure to understand and deal with customers which ensures that they receive added value at every stage of the process is obvious; 'if you don't do it, someone else'. This is a message that organizations in construction are being exhorted to follow, most significantly articulated in the Egan Report (Egan 1998). Consequently, the argument that organizations which operate in construction should learn how to apply the technique of benchmarking to learn 'best practice' has been recognized as being one supported at the most senior levels of both the industry and Government. The challenge that organizations that operate in the construction sector face, however, is in being able to practically apply a concept that has been apparently used elsewhere so successfully. As this paper will describe on the basis of the experience of a number of surveying practices, the ability to use benchmarking to achieve 'best practice', whilst being commercially attractive, is not without tremendous difficulties.

## **AN OVERVIEW OF THE PROFESSIONAL CHALLENGE (SURVEYING) PROJECT**

The empirical observations and data we present results from our involvement in what is known as the 'Professional Challenge Project'. The objective of this project is to assist the financial and professional community of the West Midlands – specifically those which are small and medium sized enterprises (SMEs which must employ less than 250 employees) – to increase their share of work through promoting best practice in client relations. The organizations which make up the steering group of the Professional Challenge are, Birmingham City 2000, Birmingham and Solihull Training and Enterprise Council, Birmingham Chamber of Commerce and Industry, Business Link Birmingham, West Midlands RICS and, The University of Central England. A decision taken at the outset of the project was that whilst all professional enterprises would be assisted, a dedicated project team should focus on assisting those organizations providing surveying services to learn what best practice involves. It was at this stage that the involvement of the authors commenced.

The most important task we faced was to recruit a cohort of surveyors who we could assist in learning what best practice involves. This involved placing an advertisement in the branch newsletter of the West Midlands RICS. As we made explicit from the outset, our intention, was that those who agreed to collaborate would determine the way in which the project proceeded; our role was to facilitate, most definitely not to impose preconceived solutions. As such, we were working with a research paradigm resonant with what Whyte calls 'participatory action research' (1991). The result of this was, as the next section describes, that even though an established method of measuring best practice exists, it was rejected as being too sophisticated to be used by those who considered themselves to be novices.

## **A SHORT HISTORY OF BENCHMARKING**

In considering the history of benchmarking, it is impossible to avoid the influence of Japanese producers of automotive and electronic products. The reason that Japanese manufacturers have managed to achieve pre-eminence in such sectors is well documented elsewhere (see for instance: Bank 1992, Morrison 1994, McCabe 1998). However, the most significant influence in the development of post war Japanese industry is that of an American statistician, Dr. W. Edwards Deming. As historical accounts of Deming's influence on the Japanese make clear, his teaching and philosophy was regarded as being crucial to the extent that a national award for

quality was named after him in 1951; the Deming Prize. In what might seem to be belated recognition of Deming's influence on quality, an American award was initiated in 1987; the Malcolm Baldrige National Quality Award. A European equivalent of the Deming and Baldrige Awards, the European Quality Award – which in turn led to the UK Quality Award – was launched in 1991. The latter, according to Oakland (1999: 98) is a 'recognized technique of self-assessment for any organization wishing to monitor and improve its performance'. As Oakland also advises, using the models to carry out self-assessment 'promotes business excellence thorough a regular and systematic review of processes and results [they] highlight strengths and drives continuous improvement (Oakland 1999:101). Thus, in effect, using the British Quality Award, what is usually referred to as the Business Excellence Model (BEM), demonstrates which organizations have achieved demonstrable success in business excellence. As Oakland, like many other advocates of using quality awards suggest, the results that are produced can be used to benchmark, '[a] continuous process of identifying and adapting best practice that will lead to superior performance' (Oakland 1999: 113).

## **EXPLORING THE PRACTICALITIES OF USING THE BUSINESS EXCELLENCE MODEL**

The model for business excellence, i.e. the British Quality Award, has nine criteria, all of which have particular weighting (see below). These are either 'enablers' or 'results', the former being 'drivers' which produce the latter. The nine criteria that make up the (BEM) are as follows (their assigned weighting being in parenthesis):

### *(a) Enablers*

- Leadership (10%)
- People management (9%)
- Policy and strategy (8%)
- Resources (9%)
- Processes (14%)

### *(b) Results*

- People satisfaction (9%)
- Customer satisfaction (20%)
- Impact on society (6%)
- Business results (15%)

A number of methodologies are provided by the British Quality Foundation to score the attainment of each of these criteria exists. These, rapidscore, teamscore, and validscore, allow an organization to arrive at an overall score (out of a 1000) by which to compare the performance of an organization against those judged to be world class. These provide a method of allowing an organization to judge its relative performance against so called 'World Class performers'.

However, whatever the merits of using the BEM, its appearance can be somewhat daunting to the uninitiated. There was, we accepted, a fear factor among those surveying practices which wanted to learn what benchmarking for best practice involved. As we recognized, we faced the prospect of losing the most valuable resource that any research project possesses – access to data. Accordingly, we reviewed the potential for using such a model as BEM, and following discussion, it

was agreed that instead, the group would focus on what they regarded as the most crucial aspect of competitive success (also the criteria which attracts the highest score); customer satisfaction. Despite this decision, the group felt that the methodology contained within the model for measuring customer satisfaction was still too challenging for them to tackle. As a consequence, they asked us to assist them in exploring what each of the surveying practices believed that best practice existed and then use this as the basis for metrics by which to measure commercial success. We used two meetings of the representatives to brainstorm and rank the critical success factors of customer satisfaction, and as a result, piloted questionnaires to be completed by employees within the surveying practices.

The group decided that four areas of customer care should be measured. These were, understanding your client, measuring and improving client care, client care communication and, client care performance. Within each, a number of questions were asked, the purpose being to elicit responses from employees within the practices. The data these questionnaires produced could then be compared with the rest of the cohort, and critically, compared against a questionnaire sent to two clients that each practice nominated. In order to explore the answers provided by the clients in the questionnaires they completed we conducted follow-up interviews.

The results that this questionnaire produced was, we admit, hardly surprising. The surveying practices felt that, given the limited resources that the fees they charged, the service they provided was good. The clients told us that, given the amount they were being charged, they believed service – whilst being reasonably good – could be improved. Using the data produced in the questionnaires we have attempted to identify what are called ‘gaps’ between what the surveying practices believed they were doing, and what their clients felt they were being provided with. What was more interesting was that the interviews conducted with the clients frequently produced fascinating insights into what customer satisfaction really means. Much importance was attached to the quality of relationships and the ability to trust one another. Intriguingly what we were being told often seemed to contradict the answers provided in the questionnaires. Importantly, as we realized during the progress of these interviews, attempting to measure client satisfaction is extremely difficult. We are reminded of Dr. Deming’s advice in respect to measuring aspects of commercial success. As Caulkin (1999: 11) remarks, ‘Deming, a hard-headed statistician believed that 97 per cent of what mattered in a business couldn’t be measured – qualities such as intelligence, integrity, imagination, genuine friendliness’.

## **WHAT IS BEST PRACTICE?**

We have used the information collected during the research project to provide feedback to each of the surveying practices. As a consequence, we expect, each will identify actions that can be initiated to improve the ways in which they manage customer relationships. However, even though we can claim to have fulfilled our objectives of introducing the concept of benchmarking for best practice, we are concerned that many important issues remain unresolved. In particular, we cannot claim to have provided answers as to what best practice means in respect to providing surveying services. As we are willing to accept, there is no perfect model. However, what was continually stressed by those clients we interviewed was that surveyors learn from other sectors how dedication to continuous improvement can add value to every aspect of the customer relationship; a concept known as ‘relationship marketing’ (Payne and Ballantyne 1993). Significantly, an example that was provided by one of

the clients in respect to quality service was the sub-contract for photocopying machines. Consultation of any book describing benchmarking will usually explain that the concept is largely associated with Rank Xerox (e.g. Cross and Leonard 1994). As Rank Xerox demonstrated, providing superior customer service became a commercial necessity. As a consequence, they set the 'benchmark' for others to emulate. The message we wish to engender among the surveying practices we are working with is that improving customer service requires considerable time and effort, and we would stress, a willingness to learn from elsewhere.

## **WHAT IS THE ROLE OF ACADEMIA IN ASSISTING PRACTICE TO IMPROVE?**

The professional challenge project is currently entering into a new phase; one that has the objective of building on the results that have been established thus far and seeks to implement continuous improvement initiatives within the practices. In order to do this, it is crucial that the surveying practices are dedicated to playing a more active role than has been necessary until now. In effect, we are prepared to act as facilitators in assisting the practices to develop TQM initiatives which will result in improving customer satisfaction among their clients. As part of this process, we will recommend an approach to benchmarking that Karlof and Ostblom (1993: 182) describe as 'benchlearning', and as they explain, '[requires] imitating successful behaviour [by] systemically linking learning and theory to the operative content of the business'. As we are fully aware, in order to attain the fullest benefits of attempting to learn and apply best practice, it is necessary to look at examples outside the sector, not in the belief that instant solutions exist, but in the desire to be inspired to attempt innovative and imaginative changes to their current methods of operation.

## **CONCLUSION**

As Pascale and Athos recommended to American organizations in considering how to cope with the threat of what were perceived as superior products:

*"We can't ape the Japanese. But we can incorporate some of their approach, which will strengthen our areas of weakness"* (Cited in Thomas 1993: 134).

This, we contend, is a useful way of considering what we are attempting to achieve with the surveying practices. In the modern business world, there need to continually improve every aspect of what is provided, is a message which, despite some resistance, is now accepted. In order to produce such improvement, the use of the concept of benchmarking can be extremely helpful if it is used as a vehicle for critically evaluating current performance, coupled with a genuine desire to learn from others. The belief that best practice exists elsewhere, and can be instantly transferred – like, for instance, a piece of plant – is completely mistaken. As we, like the surveying practices, have learnt by experience gained during this project, this is fundamental to achieving success by using the technique.

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practice have been promoted in the last decades. In 1983, Schön introduced the concepts "reflection-in-action" and "reflection-on-action", both of which have enhanced the link between reflection and professional development, but the formal one emphasizes the ability of a practitioner to react to a situation directly based on feelings, emotions and prior experiences while the latter one focuses on critical analysis of this reaction after doing it (Schön).  
Assessment item 2 Strategic Management OR Knowledge & Learning Value: 45% Due date: 11-Sep-2015 Return date: 02-Oct-2015 Length: 3000 words Submission method options Alternative submission method Task You are required to write a 3000 word The concept of duration of untreated psychosis (DUP) has recently attracted much interest because of its possible relationship to treatment outcome and implications for preventive efforts with reference to psychotic disorders, especially schizophrenia. In this paper we review critically the literature concerning the concept and its importance. Methods. Articles concerned with measuring DUP and those that have been suggested to provide indirect or direct evidence of the effect of DUP on treatment outcome are reviewed. Results. Evidence thus far suggests that DUP may be related to ease of reducing practice critical thinking skills means to practice the ability to step away from your beliefs. This isn't to suggest that a critical thinker abandons their beliefs or values entirely - only that a critical thinker has the ability to suspend these beliefs and values in order to organize and digest new information and ideas. Why Is Critical Thinking Important? When answering the question, "What is critical thinking?" it's important to also discuss why it's so important. The skill encourages self-reflection as well. It helps facilitate the examination of our own beliefs in comparison to those held by others. When we examine new ideas with a logical, objective eye, we open ourselves to entirely new worlds of beliefs, concepts and perceptions. Real World Examples: Critical Thinking In Action. This concept is most famously illustrated in his exploration of the 'panopticon' prison in his work Discipline and Punish (1975). For another example of critical examination of the goals for education, consider David Labaree's (1999) work, which articulates three often conflicting goals for education. There are those who, as stated above, believe public education should serve to preserve U.S. dominance in the global economy, and also to facilitate the continuation of the ways in which U.S. society is currently organized. Reflective Practices as Social Justice Toward Action As noted previously, critical theory consists of both the critique and emancipatory action, the latter of which demands pragmatic and tangible changes to the existing modus operandi. Academic Medicine Acute Care Nursing Addiction Medicine Administration Advanced Practice Nursing Allergy & Immunology Allied Health Alternative & Complementary Medicine Anesthesiology Anesthesiology Nursing Audiology & Ear and Hearing Basic Science Cardiology Cardiothoracic Surgery Cardiovascular Nursing Cardiovascular Surgery Child Neurology Child Psychiatry Chiropractics Clinical Sciences Colorectal Surgery Community Health Critical Care Critical Care Nursing Dentistry Dermatology Emergency Medicine Emergency Nursing Endocrinology Endocrinology Forensic Medicine Gastroenterology