



Benchmarking your survey results

We are often asked about “benchmarking” or “normative” data. Normative data are data that provide a frame of reference for benchmarking an organization's survey scores relative to the scores of others. Two types of benchmarks are commonly used in organizational surveys. *External* benchmarks are taken from survey data collected from outside your organization. *Internal* benchmarks are taken from survey data collected from within your organization.

External Benchmarks

External normative data may help you to interpret your survey findings, and benchmark yourself against your competitors - but there are some important limitations.

You can find out if your score is higher or lower than an external group norm, but you cannot find out why. You do not know the stimulus that the “normative participants” were responding to such as policy or management changes, seasonal or economic factors... the key events that were driving opinion scores. Resources expended based on incorrect conclusions drawn from inappropriate external norms can, at best, be wasted, distracting your organization from efforts that would have been productive. At worst they can exacerbate a problem or create one where none previously existed.

A “true” comparison would have to account for a vast range of factors that, themselves, create different results, including:

- **Timing** – how old is the normative data?
- **Geography** – country scores vary hugely. There are even regional differences including variation between results from London, large conurbations and smaller population centres.
- **Industry**
- **Market sector**
- **Place in the business cycle** – growth, maintenance, transition etc.
- **Organisation size and structure** – e.g. large vs. small, public vs. private.
- **Employee profile** – including educational level, average length of service, career vs. job etc.
- **Survey issues** – e.g. random sample vs. census vs. targeted sample, non-response bias etc.

Additionally, for any comparison to make sense, the **question wording** and the **response scale** would need to be identical.

A further problem is that comparing your results against external norms focuses attention on *being better than average*, rather than on *improving*. Knowing your organization is above average is reassuring, but can become an excuse for complacency.



Internal Benchmarks

In contrast to external benchmarking, internal benchmarking focuses on improvement.

Internal benchmarking solves the problems of appropriateness at a stroke, allowing you to consider the variation between two scores and begin to understand why one might be better or worse than the other. This is because you know exactly who the normative participants are, and because you know that the scores you are comparing were derived using the same methodology.

Internal benchmarks may be used to compare different workgroups in your organization, and to identify areas of best practice which can serve as targets for the rest of the organization. It also allows you identify the low performing groups. This is of course very valuable, because your organization can then target its change management efforts at the areas where they are most needed and where they would be most effective. Experience has shown that prioritizing spending in this way can produce a significantly higher return on investment than a one-size-fits-all program.

Secondly, comparing current survey results with historical benchmarks (same work groups - different periods) can help you identify areas of the organization that are improving, and those that are declining, and to distinguish such changes from change that is affecting the whole organization. Again, this can help you to develop best practice throughout your organization, and to address specific areas of weakness cost-effectively.