



How to make **Benchmarking** a success in your organisation

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Lots of definitions but a simple concept

Benchmarking is about being humble enough to admit that someone else is better at something and being wise enough to try and learn how to match and even surpass them at it



Raising the Bar & the New Normal



Dick Fosbury

“Worlds laziest high jumper”

1968

Olympic Gold Medallist

1972

28 of the 40 competitors had adopted the technique

1980

13 from 16 finalists were floppers

Now everyone flops!



Late 1990's - We stated our aim to be "World Class"

Early 2000's - Start to informally measure performance

2002 - UK Blood Services form a "Benchmarking Club"
UK & Ireland Business Information Committee

- 2005 - European Blood Alliance forms a benchmarking group
- 2005/7 - Data gathering/ analysing
- 2008 - First visits to EBA best performers
- 2009 - First EBA workshops to examine in detail what "best" looks like
- 2010 - First learning partnerships
- 2011/12 - Second round of workshops – reviewing lessons learnt
 - EBA "Flying Squad" concept trialled in Malta & Estonia
- 2012/13 - Further focussed visits

Some of the things we benchmarked



Supply Chain
Efficiency

Donors invited



Products
Shipped

(Invite success, Deferral rates, process losses, expiries)



Input Costs

Blood Packs, Test Kits, Harnesses



Labour
Productivity

Collection

Processing

Testing

Key Lesson #1 – Right Definitions



Getting your definitions right is the cornerstone of successful benchmarking

- ✓ Define in haste and you will repent at leisure!
- ✓ Agree a sensible cut off point on how much detail to build in – how many decimal points do you want to go to? Accuracy not precision
- ✓ Involve your experts – avoid the charge “its just a Finance or head office measure”
- ✓ Share the definition widely and explain it often

Right Definitions – an example - Productivity

Old definition of Processing Productivity

Simply divided whole blood donations by number of FTEs in processing department



Nobody took it seriously because it took no account of product mix

High resistance

Easy to fault

New definition of Processing Productivity

Each processed product given a weighting based on labour effort

Product	Weighting
Red Cells	1.00
Buffy Coat	0.26
Pooled platelet	1.26
FFP	0.08
Cyro	0.81
CD Donation	0.67



Much greater Acceptance

Lower resistance

FTEs adjusted to include overtime and temp staff

Key Lesson #2 – Deciding where to focus

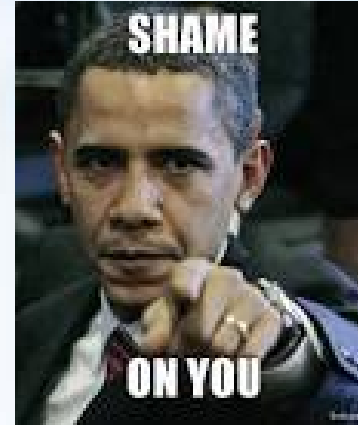


- ✓ Evaluate impact on your organisation of best performance or other benchmark (eg. upper quartile) – is it worth looking at further?
 - ✓ The larger the gap the larger the potential!
 - ✓ The larger the gap the easier it is to get people to pay attention
-
- ✓ Select areas where you already have good information
 - ✓ Look for areas that are most readily comparable





Delivering the Message



Right Time, Right Place, Right People Right Way



The Human Reaction



“I don’t believe those numbers”



“We are going to be better than them”





Involve your operational people and don't use benchmarking as a weapon

- ✓ Explain what you're doing & what you hope to achieve
- ✓ Involve operational staff in setting definitions
- ✓ Share the results with them
- ✓ Take time to put results into context
- ✓ Avoid turning the results into a crime scene investigation

World's Most Accurate Pie Chart



Getting off the numbers page



The numbers can point you in the right direction and show you the **art of the possible**



BUT

People will speculate and dismiss them all day long until you show them what's really happening in the real world

Key Lesson # 5 - Celebrate Success



- ✓ Enter National Awards
- ✓ Shop floor staff invited to participate in workshops
- ✓ Company newsletters frequently refer to success
- ✓ Reporting emphasises progress made
- ✓ Employees nominated for awards
- ✓ Employees have regular opportunities to meet the CEO
- ✓ Senior management team conduct Gemba walks

Lean practices invigorate the lifeblood of the NHS

The chief of the Blood Service has presided over big savings and increased efficiency, says **Carly Chynoweth**

When Israel Hamlyn joined the NHS Blood and Transplant, now an NHS foundation trust, in 2008, a bag of red blood cells cost £40. In 2015, it cost £12. The NHS £10 million a year, without I expect three years ago the price of blood had been going up year on year and our board thought that continuing to increase the price of blood was not sustainable. Mr Hamlyn, who says he has had been running a primary care trust, so I was able to bring a sense of the transaction pressure that the NHS was under. Every extra pound that it took out of other services. One of the first steps in reducing the cost was discovering that the service had more capacity than it needed. It was, precise, and better. Blood is in different places, all of which had spare capacity. By using a centralised inventory service to cover sites, making some people redundant and building a state-of-

the-art processing facility just outside Bristol, it improved efficiency and cut the cost of supplying stock centres. The next step was applying manufacturing-style 'lean' thinking to the way blood is processed. 'We got staff to map exactly what they did each day, including how much unnecessary walking was involved, and they then came up with a new approach. We removed physically moving some of the materials and equipment and even some of the desks, but it has increased productivity and halved the addition of a £4 million processing test, frequently for a brief period. The Blood Service considered whether there was a possible space to high prices. It wanted to make sure that hospitals used only the blood they really needed, and economic theory suggests that making blood prices should reduce demand. 'We did think about this but in the end we decided that as it's not usually clinicians who manage budgets, we'd just be giving a price problem to the hospital,' Mr Hamlyn says. 'What we really wanted to bring about was clinical change,

to that end they worked with hospital doctors to persuade them not to prescribe more blood than necessary. As a result, blood transfusion rates have fallen by 10 per cent since 2007, but there is still more work that can be done, she says. A pilot programme, scheduled to start in September, will look at how the Blood Service can improve the hospital blood management in a logistical rather than clinical way. The service looks after a national stockpile of blood but hospitals also keep some that they manage directly. These stocks inevitably include a certain amount of wastage, because there is always extra blood kept in case of a serious accident, for example. This could be reduced, Mr Hamlyn believes, if it were managed by the Blood Service; hospitals would not need to keep as much on site, as they would be able to call on national supplies when needed. 'The future is in working more closely with hospitals to manage the blood stocks between us,' Mr Hamlyn says. 'Our pilot programme later this year will see us actually take over man-

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- ✓ Get the definitions “right”

Accuracy not precision, involve the experts

- ✓ Decide where to focus

Where can you release most value, what are your burning platforms?

- ✓ Get buy in

Understand the reaction, think how you deliver message

- ✓ Go beyond the numbers

Show people the art of the possible

- ✓ Celebrate success

Most important Lesson

You need an Eric Jansen!



Without a burning platform who will jump?



The demanding customer/funding body

Sufficiency

Public perception (esp
Patients/Donors)

Self driven – “because we can,
because we should”

Competition

For Discussion.....



As leaders

What stops you taking those first steps off the burning platform?

What more can the EBA Benchmarking Group do to help you?



- ✓ Benchmarking is harder than you think and requires real determination
- ✓ The psychology of benchmarking is almost as important as the numbers
- ✓ You'll need to take care, be organised and have lots of patience but the results can be truly spectacular



Happy Benchmarking!

Thank you for listening



Any Questions?