

# Applying Best Practices: Proceed With Caution

Mark Nyman

## The proper application of what we learn is what makes both organizations and individuals truly effective.

Occasionally while driving one will see a road sign that reads, "Proceed With Caution." This warning sign alerts us to be particularly aware of our surroundings and reinforces the need to pay attention to details. It is different from a stop or detour sign. We are supposed to continue moving forward, but to do so with thoughtfulness and focus.

The RBL Group's experience with benchmarking and learning from the best practices of others could be shared with a similar caveat. Of course it make sense to learn from others, accelerate your learning, and avoid repeating the mistakes that others have made; however, if you don't proceed with caution and focus, you may apply practices that are not a great fit for your organization's needs.

An energy company was struggling with the application and adoption of new technologies. It was not a new or isolated problem, but rather was an ongoing issue. The company's leadership created a task force of their best and brightest technol-

ogy experts to determine a solution. As part of this process, the task force visited a company that was globally known for its technological prowess. The team came away from the visit with a number of ideas, tremendous excitement, and ready to implement what they had learned. They restructured their technology group and began the journey of applying the processes and practices utilized by the other company. Within a short period of time it became apparent the new concepts they had been trying to apply did not fit well with the needs of their company.

Some might blame the company's failure to implement these best practices on the company's ongoing struggle with change and new ideas. We think it runs much deeper than that. Learning all you can is a great endeavor. Deciding what to apply is where the true impact lies. There are a few simple "lessons learned" that drive an effective application of best practices.

**The Business Model Matters:** My favorite benchmarking example is dated, but still applies today. Years ago, Southwest Airlines wanted to improve on-time performance – which happened to be central to their business model. They benchmarked NASCAR pit crews, who are incredible at on-time performance and getting cars quickly back on the track. While an airline and a pit crew might seem very different, the strategic focus of turn-around time is

the same. Finding companies that have a similar strategic intent and similar capability needs will go a long way to finding best practices you can successfully apply.

**Avoid Herd Mentality:** We frequently hear companies justify a practice because they know of other companies that use a similar approach. That may or may not be a good reason for doing something. You should ask yourself several questions before applying an outside practice. First, is our business model similar to theirs (see above)? Next, do they do it well and is it really helping their business? Third, are they striving for the same objective from this practice as we are? The fact that a number of companies implement a certain practice does not mean it is a good solution for your organization.

**Cost vs. Value:** A lot of best practice and benchmarking data is based upon efficiency logic: how to lower costs. This perspective works well for some practices and some roles, but sometimes it is the opposite of what you need in a given practice or process. Be clear about the deliverable your organization needs from any practice you benchmark. That will guide you in both, who you learn from and what you should focus on learning.

**No is as Valuable as Yes:** Strategically run companies are as clear about what they say no to, as they are about what options they pursue. The same is true with best

practices. In many cases, the word 'best' causes us to feel that we must implement and adopt what we learned. Those who are good at benchmarking have learned that there is great value in learning what you are not going to do, just as there is in learning about what you are going to do.

No one can dispute the value of learning from other companies and individuals. We should all continue to learn, grow, and adapt in order to be both effective and progressive; however, the proper application of what we learn is what makes both organizations and individuals truly effective.

---

# For more information:

Visit our insights page to find more information related to the content of this paper.

[www.rbl.net/insights](http://www.rbl.net/insights)

Send us your thoughts or questions regarding the content of this paper.



[rblmail@rbl.net](mailto:rblmail@rbl.net)