# Data Exchange benchmarking report on consultation findings

In December 2015, the Department of Social Services released the [Data Exchange Benchmarking Discussion Paper](https://dex.dss.gov.au/policy-guidance/benchmarking_discussion_paper/). The paper proposed five key principles underpinning benchmarking as part of the Data Exchange; describes how the methodology is proposed to be established; and considers how this information could be used by Departmental staff and organisations.

**Feedback from stakeholders**

Twenty-five organisations responded to the discussion paper questions. Overall, the responses indicated that organisations were supportive of benchmarking. The three main themes raised in the submissions were:

1. Questions about the method for creating comparison groups of organisations delivering similar services.
2. Questions on the use of data by the Department and by organisations. Some organisations expressed their concerns that benchmarking will:
	1. be used by the Department to make funding decisions
	2. promote competition across civil society organisations, which may limit open and honest discussions on benchmarking results among peer groups.
3. The need for comprehensive guidance, information and training, to build understandings of benchmarking and how it will be implemented across a diverse sector. There is also a need to ensure that outcome measures are consistently recorded into SCORE, the Data Exchange outcomes reporting framework.

**Department of Social Services’ response**

The Department wishes to thank the organisations for their thoughtful and considered responses to the discussion paper questions. The Data Exchange has carefully considered the themes raised by these submissions, and responses to both of the key feedback areas are set out below.

**Comparison groups and current status**

The Data Exchange recognises that each organisation is different; shaped in part by the clients it services, the community it operates in and the service delivery methods it employs. The Data Exchange is not seeking to establish complex comparison groups that imply all organisations in a group are the same. Rather, benchmarking will provide a general indication of key data items across similar organisations, programs or service types.

The Department is working with the Queensland University of Technology to develop peer groupings. The reporting of high quality data is critical to the rigour of benchmarking results. The Data Exchange is currently working to increase the reporting of high quality and accurate data sets, by reviewing and updating existing policy guidance and developing additional resources, including training packages.

**Use of benchmarking data**

Benchmarking data will be used:

* to inform organisations’ continuous quality improvement processes
* to increase data literacy and promote outcomes reporting
* to foster knowledge sharing and strengthen collaboration among peer groups and between government and organisations
* to improve wellbeing for individuals, families and their communities.

Program performance data has always been used for performance management discussions between funding bodies and organisations, and this will continue to be the case under Data Exchange benchmarking.

Funding Arrangement Managers will use comparative data as one of multiple inputs for discussions with organisations. These discussions may include exploring opportunities for improving client outcomes, identifying challenges as well as recognising and replicating success. Discussions will take into account the factors influencing an organisation’s service delivery, such as client types, the service delivery context and the characteristics of the organisation’s local community.

**Support material**

Comprehensive guidance material will be available to support the implementation of benchmarking.

More information can be found on the [Data Exchange](https://dex.dss.gov.au/) website.