

## Answer on Question #53702, Management / Other

Discuss the advantages, procedures and types of benchmarking

Explanation:

Competitive benchmarking and a joint benchmarking is an excellent method of improving business processes and increasing efficiency.

Benchmarking is the process of comparing its activities with the best companies in the market and in the industry, followed by the implementation of changes to achieve and maintain competitiveness. Benchmarking is a joint or competitive. Various forms of social media are beginning to affect many business processes. In this sense, benchmarking is not an exception. Due to the necessity of using external factors that affect or may affect the behavior of the company and its products in the market in cooperation with partners and competitors, it took the philosophy and function associated with identifying, finding the results of practice in firms partners, competitors and related sectors, with a view to use in their own businesses to improve performance.

Benchmarking includes a set of tools to systematically locate, evaluate all the advantages of others' experiences and use them to organize their work. Benchmarking aims to study business. With regard to innovation, it means the study of the business of other companies or businesses with a view to identifying the fundamental characteristics for the development of their innovation policy and specific innovation.

Functional benchmarking methodology consists of the following steps:

- Selecting a specific business function of the manufacturer;
- The choice of parameters of the comparison the business functions. This option can be used alone or a group of parameters. The only thing that is unambiguous, parameter comparison business function can be, for example, return the operation to the operation cost level, duration in time of the active period of this function, the degree of risk, etc. The group of parameters used in the comparison of complex business functions as product quality management, cash management, and others.
- Collecting the necessary information on similar manufacturers.
- The analysis of the obtained information.
- Development of the draft amendments to the function.
- The feasibility study of the proposed changes.
- Implementing changes in the practice of the organization of this business.
- Monitoring of the implementation of the business and the final assessment of the quality change of the function.
- The effectiveness of the considered reception depends on correct organization of the collection of information in various fields in the press, in the analysis of products, exhibitions, in the position of competing firms on the market, use of the former employees of these companies and others.

Different terms are used to identify different ways of using benchmarking. The first word in each of these determinations related to either the type of partner or for the purpose of benchmarking. Before carrying out benchmarking, it must be clearly defined exactly what is necessary to achieve by means of benchmarking and in accordance with the specific methodology used.

Standard types of benchmarking include:

1. Strategic Benchmarking;
2. Benchmarking activity or competitiveness;
3. Benchmarking Process;
4. Functional or general benchmarking;
5. Internal Benchmarking;
6. External Benchmarking;
7. International Benchmarking.

Strategic Benchmarking is used where the organization wants to improve their overall operations, through the study of long-term strategies and general approaches that have helped other leading companies to succeed. It includes high-level aspects such as key areas of development, development of new products and services, changes in the balance of the company. Changes of this type of benchmarking are rather difficult to implement and benefit from it becomes noticeable after a considerable period of time.

2. Benchmarking or competitive activities are used by organizations to review their positions on the key characteristics of industrial products and services. In this case, the benchmarking partners are drawn from the same industry. A complicated form of benchmarking often excessive confidentiality becomes an insurmountable obstacle for such exchanges. The charge of privacy is not the interested companies the participants of the exchange and trade associations or third parties.

3. Process Benchmarking is used when the focus is on improving specific processes and operations. Benchmarking partners are selected from those who have the best performance and make such work or performs similar services. Benchmarking process always goes through a mapping process to the comparison and analysis was clearly and easily. This type of benchmarking can have positive results in a fairly short period of time.

4. Functional or general benchmarking is used when organizations need to conduct benchmarking with partners from various industries and fields of activity in order to improve the same functions or work processes. This type of benchmarking can lead to significant innovative breakthroughs and a dramatic improvement processes.

5. Internal Benchmarking involves looking for partners of the same organization, for example, structural units from other areas. The main advantages of internal benchmarking are an easier access to information. The required data is usually available and their preparation requires less time and resources. However, cooking in the "own juice" is not the best tool for improvement; best practices should be sought through external benchmarking.

6. External Benchmarking involves looking outside organizations that are known as the best in their field. External benchmarking provides opportunities of training for those who are at the forefront, but it must be remembered that not every best practices can be applied in others. In addition to all this kind of benchmarking it may take more time and resources to conduct comparisons of data and information, data validation, and development of recommendations. External training often moves more slowly because of the syndrome of "not invented here".

7. International Benchmarking is used when the partners are sought in other countries. Globalization and the progress of information technology are increases the opportunities for international projects. However, it may take more time and resources, and the results may require a thorough analysis of the mental differences.

Successful benchmarking as a result brings significant and tangible benefits:

- Step-change in performance and innovation.
- Improving quality and productivity.
- Benchmarking can also produce a positive effect on those aspects that are necessary to support continuous improvement of the enterprise, such as:
- Increased attention to the work of the company, in the company openly discusses its strengths and weaknesses.
- Study the experience of other gives more confidence in the development and application of new methods and approaches.
- More involved and motivated staff within the programs of internal changes in the company.
- Increased willingness to share with other companies solve common problems and to reach a consensus for change.
- It is seen the "big picture" and the unfolding broader perspective interaction of factors that contribute to the implementation of best practices.
- The quality of cooperation increases and comes understanding of the interaction between and within organizations.

Benchmarking tools are some protection against potential risks. These tools allow improving the quality of life of its most important management personnel. For example, senior managers, investigating the experience of the best of the best, develop the skills of creative thinking, thoroughly study the features of the company, finding the best ways to improve it, it can not be a value.

Thus, we can conclude that technology benchmarking is the best option, if we are talking about the need to improve the efficiency of the company.

In the case, when benchmarking is performed correctly, it can provide a lot of advantages. The criteria for the success of benchmarking are well selected team, deep drill process management interest in the results of the integration of the results of benchmarking the strategic development plans. During the execution of works benchmarking team has the ability to look at their organization from the outside. This allows going beyond the daily activities and the existing limitations and finding new ideas for improving the work. Through the application of benchmarking can avoid many mistakes, and improve the organization's profits in a relatively short time.