

BENCHMARKING: DEFINITION, TYPES, AND PROCESSES

student Siyanovich I.V.

scientific supervisor – senior lecturer Beznis Y.V.

Belarusian National University of Technology

Minsk, Belarus

Benchmarking is the process of comparing the performance, quality, or other characteristics of one company, product, service, or process with those of other more successful companies, products, services, or processes in the same industry [1]. Benchmarking can be used in various areas of business, including manufacturing, sales, marketing, information technology, etc. It helps companies identify their strengths and weaknesses and develop strategies to improve quality, reduce costs, increase efficiency, and competitiveness.

There are different types of benchmarking, including internal, external, functional, and strategic benchmarking. Internal benchmarking involves comparing the performance of one department or process with the performance of another department or process within the same company. This can be useful for identifying best practices within the company and spreading them to other departments or processes. External benchmarking is the comparison of a company's performance, quality, or other characteristics with competing companies or products on the market. Functional benchmarking involves comparing the performance of one function within a company with the performance of a similar function in another company. Strategic benchmarking involves comparing a company's strategic plans with the plans of other companies in the industry.

The benchmarking process involves the following steps: 1) to define the objectives and comparison parameters; 2) to select benchmarking companies; 3) to collect information on the performance, quality, or other characteristics of

benchmarking companies; 4) to analyze the data and identify differences in performance, quality, or other characteristics; 5) to develop and implement an improvement plan based on benchmarking results; 6) to evaluate the results and repeat the process for continuous improvement. It is important to note that benchmarking is not a means of copying practices from other companies, but rather a process of adapting best practices for one's own company. This means that companies should analyze benchmarking results to understand which practices can be adapted to their own needs and how they can be implemented in practice.

One of the main advantages of benchmarking is the ability to learn from more successful companies by studying their strategies, practices, and methods, which can lead to improved performance and product quality. However, benchmarking can also be a costly process that requires a lot of time and resources, so companies should evaluate the costs and potential returns from this process before embarking on it. Some well-known companies use benchmarking for continuous improvement of their performance and competitiveness. For example, Toyota uses benchmarking to compare its car manufacturing processes with those of other automakers for the purpose of continuously improving the quality and performance of its cars. Overall, benchmarking is an effective tool for companies that are looking to improve their performance and competitiveness in the market.

References

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2. J. Henning, R. H. Katz, Benchmarking computer systems // IEEE Computer, 2019. V. 28. P. 31-37.