

Benchmarking

Benchmarking is an important tool for bringing about continuous improvement that is required to survive competitive world of business these days. It is a structured management tool that involves comparison of management process and learning from the others for the further organizational improvement. Not the whole process is to be change but the important and critical processes can be changed according to the need in view of improvement.

Benchmarking will be result oriented when approach to the learning is positive and mind of the learner is ready to adopt the changes.

Benchmarking is of following types

Internal Benchmarking: Internal benchmarking involves comparison of two or more departments /units or division within the organization.

Competitive Benchmarking: It is type of benchmarking in which comparison is done directly against the competitor. It is usually done through the help of third party or consultant. It is crucial to select the appropriate organization to compare with.

Functional Benchmarking: it involves improving the specific function's quality and efficiency like advertisement process, HR policies, marketing process.

Generic Benchmarking: This type of benchmarking involves comparison of various common functions and system across the different companies or industry such as inventory system, customer interaction, and billing.