

BENCHMARKING

Benchmarking is the process of defining the “*best practice*” for products and services offered by an organisation. To help an organisation to implement a benchmarking programme requires that they determine which areas they would like to benchmark in and then they need to identify their strengths and areas for improvement. The next stage is to collate as much information and analyse the data in order to see how other organisations resolve similar issues. The third stage is to identify a suitable benchmarking partner, either from a similar organisation or from within another field of interest. There are various types of benchmarking; *Strategic; Functional; Internal/External; Performance/Competitive*.

Objectives to benchmarking include an understanding and an evaluation of an organisations current position and identifying the areas and ways in which they can improve on performance. There are four key stages to the benchmarking process:-

- An understanding of the existing processes which must be undertaken in great detail.
- Analysing data gleaned from other organisations in relation to their business processes.
- A comparison of the business performance with the analysis previously undertaken.
- The implementation stage which is essential to “*close*” the performance gap already identified.

The benefits of benchmarking are considerable as it can help an organisation to find out where the organisation is making progress; identify gaps or areas where further action is needed; build upon adequate resources in the years to come; prepare an action based plan and help them prioritise their activities more effectively and share their best practice and learn from other organisations.

Phoenix Management Consultancy & Research adopt four phases in our benchmarking consultancy service:-

- The set-up phase enables us to work closely with the organisation in order to define objectives, come to an agreement of the stated objectives and then conduct workshops to provide the relevant training for those who will be involved with the envisaged benchmark;
- We will then gather data from various, recognised sources to assist an organisation in understanding the relevance of the defined benchmark;
- We will use our analytical services to try to understand the reasoning behind certain elements.
- We will then prepare an analytical report using it as the focus upon which to discuss our findings and outline to our client the “*best practice*” to our client within their particular area.