

INTRODUCTION

- **Definition:** Benchmarking is the process of measuring a company's practices and metrics against the top performers in the industry focusing on quality, speed, and cost.
- **Aim:** Improve performance in particular area.
- **Motivation:** Identify areas for improvement by comparing organizational processes and performance metrics with those of industry leaders and best practices.



PROCESSES



- **Define the Focus:** Identify the specific process or area for benchmarking.
- **Select Partners:** Choose exemplar organizations as references for best practices.
- **Gather Data:** Collect accurate, comprehensive data from chosen benchmarks.
- **Analyze and Compare:** Examine data to spot performance gaps and opportunities.
- **Set Targets:** Define clear, achievable performance goals for improvement.
- **Develop Plan:** Outline steps, assign responsibilities, and set timelines for action.
- **Implement and Monitor:** Execute the plan and track progress with key metrics.
- **Learn and Iterate:** Continuously evaluate results and refine for ongoing improvement.

TYPES

- **Product BM:** Analyzing competitors' products to inform design improvements.
- **Process BM:** Adopting industry-leading operational practices.
- **Competitive BM:** Comparing broader offerings and operations with direct rivals.
- **Functional BM:** Learning from top-performing functions outside the industry.
- **Performance BM:** Setting targets based on industry benchmarks.
- **Generic BM:** Using universal metrics for cross-industry comparison.
- **Internal BM:** Improving by comparing different internal entities.
- **Strategic BM:** Shaping long-term goals through external strategic insights.
- **Global BM:** Aligning with global best practices for international standards.



APPLICATION



A company which applied benchmarking method

Riko Hiše d.o.o., a Slovenian producer of eco-friendly prefabricated homes, leveraged benchmarking to meet the rising European demand by expanding production and boosting exports. Through strategic analysis of internal and competitive data, they pinpointed key efficiency factors—time, price, and quality. This insight led to a comprehensive improvement program, informed by comparisons with Slovenia's leading prefab house manufacturers, optimizing market and production approaches for enhanced performance.

CONCLUSION

- Benchmarking enhances organizational efficiency and competitiveness by comparing with industry best practices.
- In the future, it will adapt to rapid market and technological changes by leveraging data analysis and digital tools, promoting cross-industry learning and innovation.

