

Benchmarking – a modern tool in competition

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Benchmarking represents a fusion of techniques and technologies of management and marketing, and is one of the key business processes of modern companies, which allows a systemic approach to its development and contributes to improving the efficiency of corporate management.

Benchmarking – is the systematic activity aimed at finding, evaluating and studying the best business practices.

Market is constantly influenced by competitors. It is important to be aware of competitors, and gathering information about them in a timely manner.

It is necessary to use the external factors affecting the company and its products in the market, as well as to interact with partners and competitors. For the identification and search for results of practice of partner companies, competitors in related industries, it is necessary to develop a new function that will help to use them at own enterprises in order to improve performance.

Benchmarking – is a new word in management circles.

One of the effective ways to create the image of the market is the ability of a company to adopt innovations. Properly selected partners will not hide who borrowed innovation, and thus they become a kind of advertising agents to trust them, much more than the conventional advertisements.

Benchmarking – is the process of identification, separation and use of knowledge and best practice examples. It aims to improve any given business process using the best research approaches, not

just better performance measurement and finding, the study and implementation of best practices provides a tremendous opportunity to achieve strategic, operational and financial advantages. Today, benchmarking is not developed and studied in Ukraine to such an extent as in most developed countries.

Competition has become global, and there was a need for a comprehensive and detailed study, and then for use of the best achievements of other companies for the future success. This influenced the rather sharp increase in the popularity of benchmarking.

In order to determine which companies are the best, you need to understand that your company requires improvements in the first place and how your company is able to be changed in this area. This objective achievement requires the expertise of competitive intelligence: immediate improvements are the result of their own comparisons with competitor activity.

In Ukraine, benchmarking is used today only by several large companies, which usually have contacts with foreign partners and are guided by international standards.

To determine next steps companies need to determine and analyse their distinction with more successful companies. This concerns private borrowings of advanced experience by certain Ukrainian companies and the total one for all Ukrainian business, synergy of benchmarking and competitive intelligence, which is common in many developed countries.