

# Competitive benchmarking

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# Competitive Benchmarking

**PROCESS**

**STRATEGY**

**PERFORMANCE**

# Benchmarking types

## INTERNAL

Business-oriented benchmarking

Group-oriented benchmarking

## EXTERNAL

Competitive benchmarking

Industry-oriented benchmarking

Cross-industry benchmarking

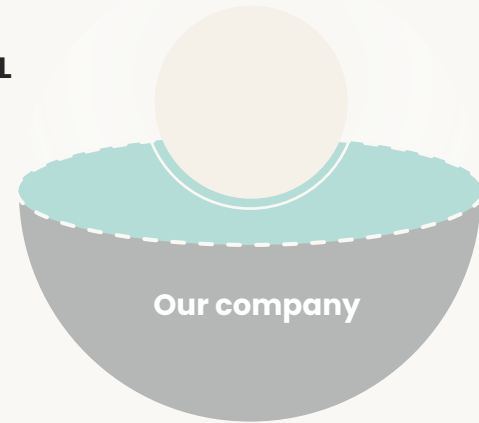
# Competitive benchmarking

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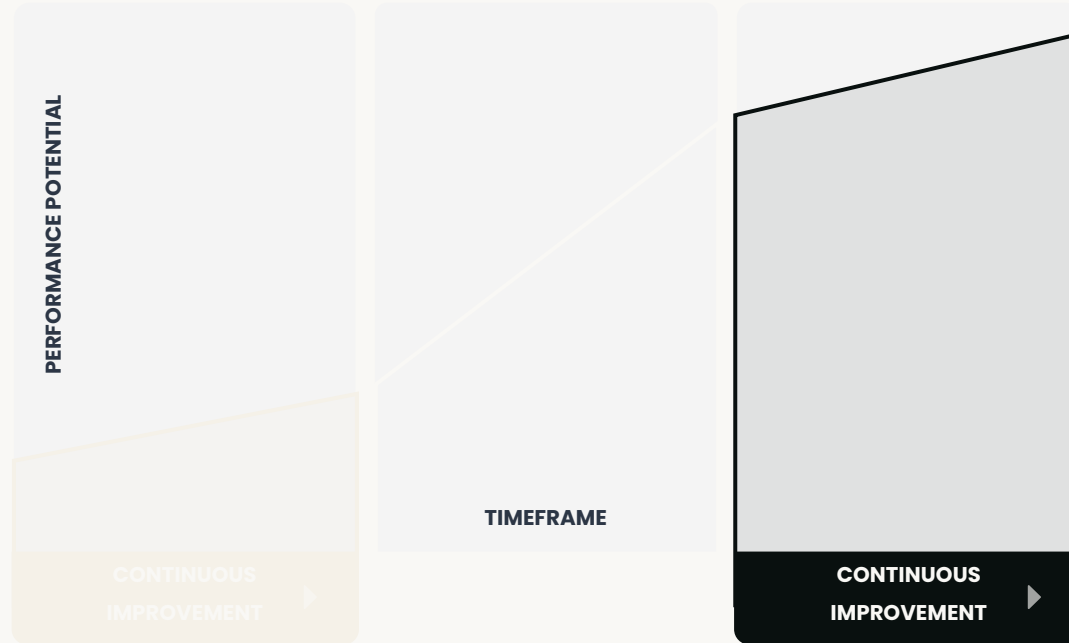
Competitive benchmarking is a method of researching leaders within the industry for strategies, practices and services that help in establishing a benchmark for your own company's performance.

This is a process measured by a collection of metrics, which helps to measure performance of a company which you can then compare to others over time. There is no set approach to this method, it comes down to your company's aims and objectives.

## IMPROVEMENT POTENTIAL



# What's good about competitive benchmarking?



Competitive benchmarking is a continuous learning process

It has a positive impact on organizational learning

Organizational learning then leads to increased performance

## Direct

Create tangible suggestions for improvement

Reveals potential

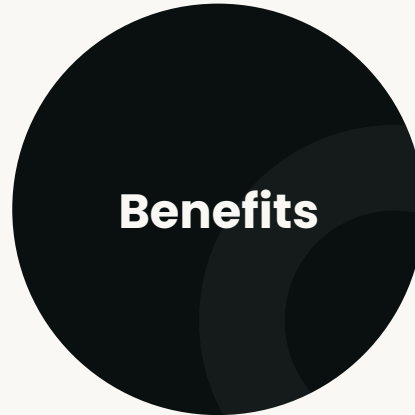
Evaluate alternative solutions

Assesses strengths/improves weakness

Identifies performance deficits

Compares corporate sectors & companies

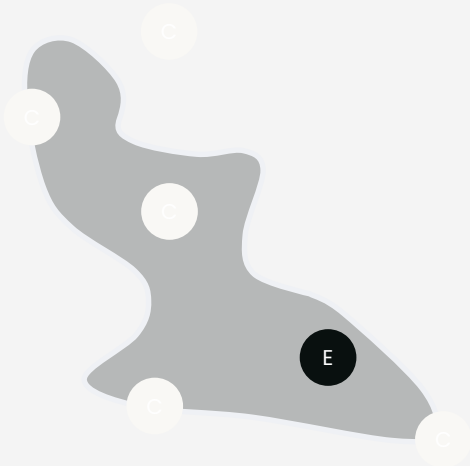
Business analysis is systematic and neutral



## Indirect

- ✔ Monitors company development
- ✔ Creates impact prognosis
- ✔ Strengthens competitive position
- ✔ Encourages continuous improvement process
- ✔ Reviews company strategies
- ✔ Determines company objectives
- ✔ Improves understanding of business processes

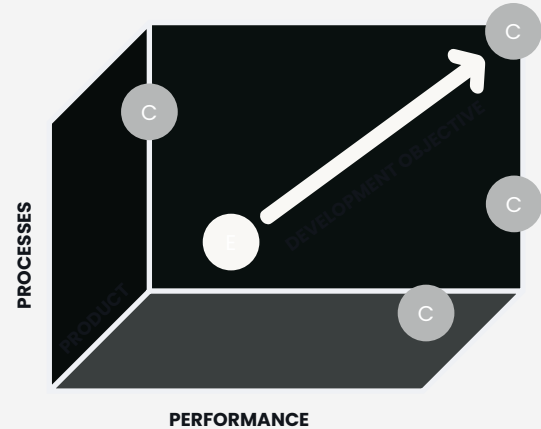
## Starting point



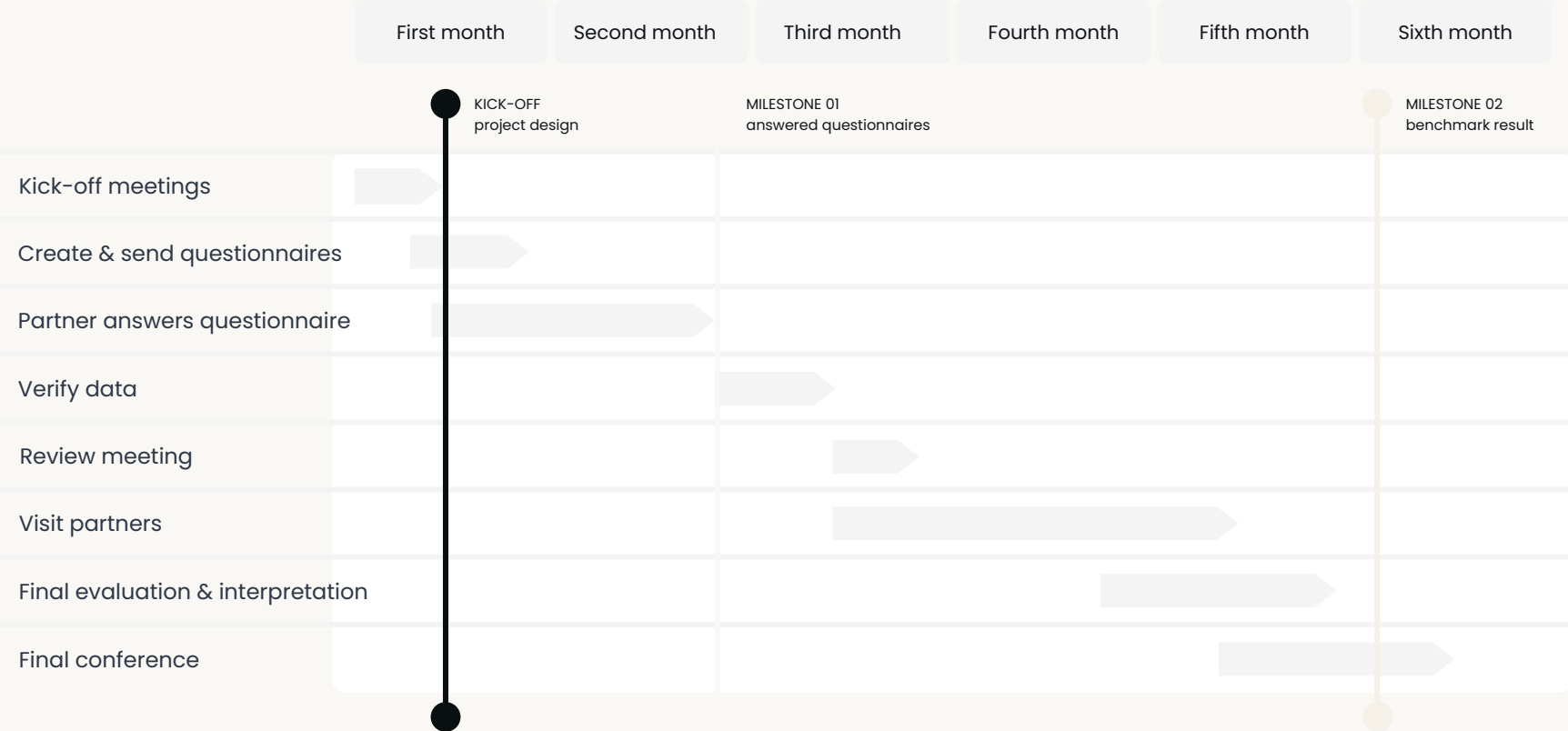
In the beginning, the position of the organization within the competitive ranges is not clearly defined.



## Competitive benchmarking



# Benchmarking timeline





# Process evaluation with success factor

CRITICAL RESOURCES – PERFORMANCE POTENTIAL	EVALUATION																			ADDITIONAL COMMENTS		
	Bad						Average						Good									
	10	9	8	7	6	5	4	3	2	1	0	1	2	3	4	5	6	7	8		9	10
Product line X									●									●				
Market (market shares)									●				●									
Marketing concept				●									●									
Financial situation					●					●												
Research and development								●			●											
Product													●							●		
Supply with resource and energy		●								●												
Location							●													●		
Costs											●									●		
Management qualities													●					●				
Management system													●					●				
Improvement potential of production													●				●					

● Competitor    ● Own organization

# Processes evaluation

● Low    ● Intermediate    ● High

	Business perspective						Customer perspectives			Process owner perspective		
CRITICAL SUCCESS FACTOR	1	2	3	1	2	3	1	2	3	1	2	3
Influence on customer satisfaction		●				●		●			●	
Process competence			●		●		●					●
Improvement potential	●				●				●	●		
Process differs from market		●		●				●			●	
Dependent on external factors	●					●			●	●		
Product		●				●		●			●	
Supply with resource and energy			●		●		●					●
Location	●				●				●	●		
Costs		●		●				●			●	
Management qualities	●					●			●	●		

# Internal analysis schedule

Analyze  
benchmarking  
objective

Model process  
documentation

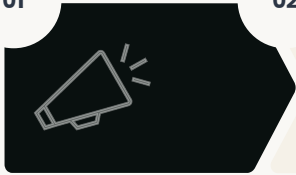
Reduce process to  
achieve highest  
performance

Develop  
cross-sector  
measuring units

Define  
comparable  
criteria and  
metrics

Create survey or  
questionnaire for  
evaluation

01

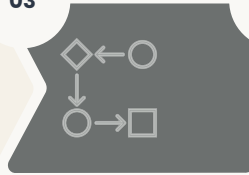


Define current  
process and course  
of action

02

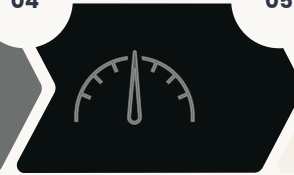


03



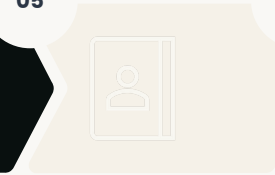
Transfer business  
model to cross  
business model

04



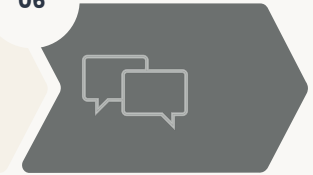
Compare processes  
with partner  
businesses

05



Define suitable  
benchmarking  
partners

06

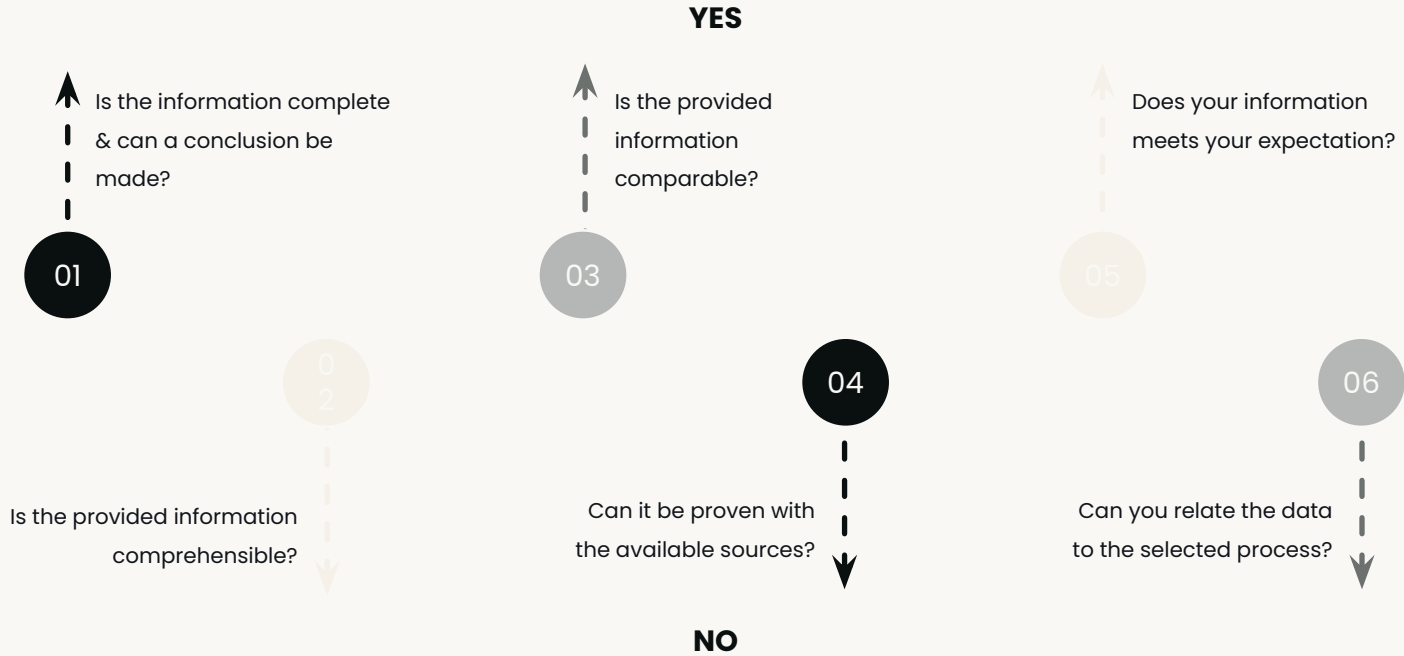


Exchange feedback  
and benchmarking  
information

# Comparison schedule



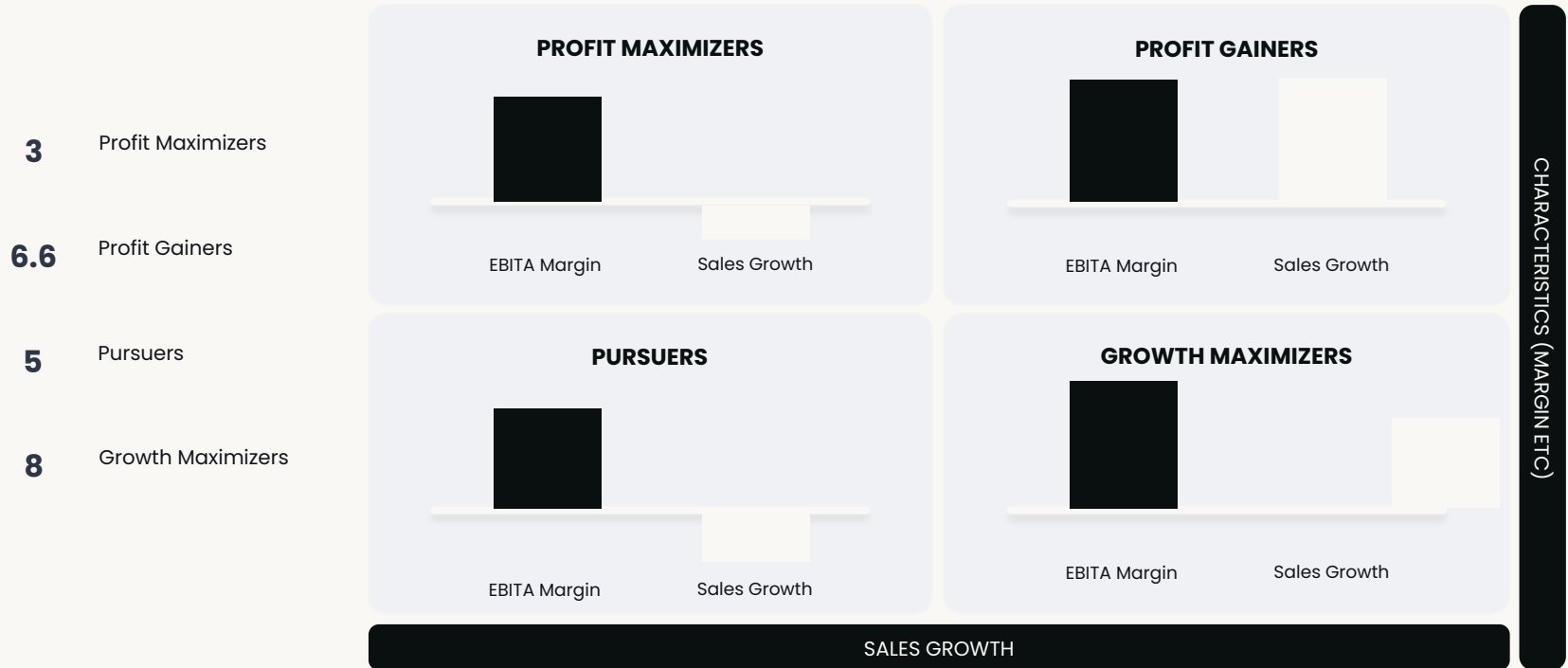
# COMPARISON RESULTS



# Benchmarking results

DIMENSIONS	YOUR PROJECTS	ALL PROJECTS	WORST PROJECTS	BEST PROJECTS
Requirement reference	1.33	1.83	1.00	3.00
Target group definition	1.67	2.01	0.67	3.00
Target group insight	1.00	1.60	0.33	3.00
Target definition	1.33	1.70	0.33	3.00
Preventive approach	1.33	1.87	0.00	3.00
Concept quality	1.33	1.74	1.00	3.00
Integration into work environment	0.67	1.55	0.00	3.00
Contextual approach update	1.00	1.43	0.00	2.67
Planning quality	1.00	1.46	0.00	2.67
Staff and qualification	1.33	2.08	1.00	3.00
Cooperation	0.67	1.82	0.00	3.00

# Sales performance evaluation



# Project finalization & continuation

