

## INDUSTRY BEST PRACTICES

**Pragmatic Benchmarking** – is a method of measuring a company's processes, methods and procedures in a way that all functions in great details.

**Benchmarking** - A process of comparison with a superior performer anywhere in the world to improve quality . The following are types of benchmarking:-

- Process benchmarking – Business process.
- Financial benchmarking.
- Performance benchmarking.
- Product benchmarking.
- Strategic benchmarking.
- Functional benchmarking.

Benchmarking is classified into two groups :

- Internal Benchmarking – refers to comparison within the organisation or industry.
- External Benchmarking – refers to comparison with outsiders.

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### Steps in Benchmarking –

Planning, analysis, integration, and action are the four steps recognized in the process of benchmarking. Targets are set and activities are conducted to reach them.

- **Planning** – determines the process, service, or the product to be benchmarked on which metrics are assigned for collection of data.
- **Analysis** – Analysed data gives inputs for comparison with the target company's performance on the parameter benchmark on which data was collected.
- **Integration** – Resources are required across all functions to achieve the target needs. Integration involves putting together resources like people, equipments and communication, so that progress is unhindered.
- **Action** – When changes are needed, actions have to be planned according to the steps earlier stated. The teams are provided with necessary leadership, authority and supporting facilities to enable them to complete all activities within the time frame set for the purpose.



## MANUFACTURING STRATEGIES

There are many types of competitive priorities for process used in the manufacturing of products. The production systems are:

- Batch production.
- Mass production.
- Customised production.
- Assemble products.

The following are three dominant strategies:

- Make to stock – Manufacturing firms adopt this strategy to ensure immediate delivery of the products, minimizing delivery times. Eg: chemical, soft drink.
- Assemble to order – This strategy serves as a competitive priority of customization and ensures fast delivery. Eg: Paints to colors, furniture.
- Make to order – The firms set of processes that suits the manufacture based on the customer requirements. This strategy gives a higher degree of customization, one of the major competitive priority.