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BENCHMARKING

Goals

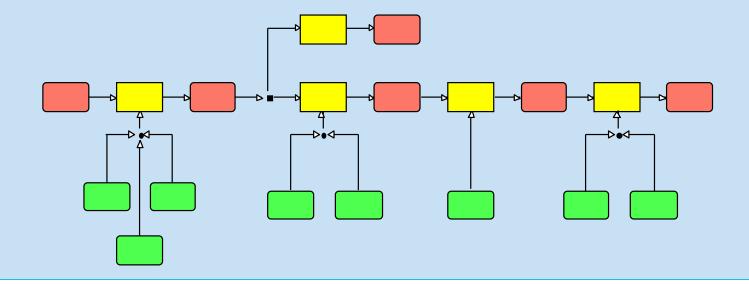
Benchmarking is a successful method that supports enterprises in the improvement of their competitiveness. Complementary to ordinary comparisons between enterprises, benchmarking systematically searches for rational approaches and better solutions beyond »one's own business world« - one's own branch. The main objective is the mutual learning process, while the key figure comparison is only an instrument to achieve the defined goals. By a continued application, a consistent improvement process is initiated.

Since the beginning of the 1990s, with the increased application of Benchmarking in enterprises, a strong demand for services has developed. This demand triggered the establishment of benchmarking centres. In 1994, the Information Centre Benchmarking (ICB) was founded in Berlin. The objective of the ICB is to support German enterprises in their benchmarking activities. The target groups of the ICB are public and private enterprises or particular business divisions that want to apply Benchmarking in order to learn from others.

Approach

The approach is based on the 5-Phases Concept of Benchmarking developed at the ICB. The starting point for Benchmarking is the Target Phase. In this phase the focus of the benchmarking project and the benchmarking object are defined. Based on the target, an internal analysis of business processes is conducted in the second phase. The Comparison Phase includes the search for Benchmarking partners and the comparison of processes.

The difficult search for right partners who are open to exchange experiences and ready to participate in the mutual learning process is facilitated through our assistance. Our long-term experiences and our excellent contacts to Best Practice companies allow us to offer valuable support in this phase. The ICB is connected to International Benchmarking Centres and experts all over the world and is a founding member of the Global Benchmarking Network (GBN). Representatives from more than 25 Benchmarking Centres on all continents are linked through this network. The GBN supports its members in the search for



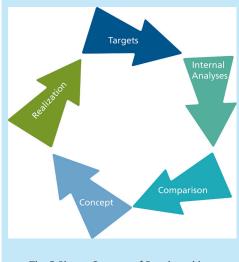
international benchmarking partners, as especially large enterprises are increasingly globally oriented.

After the actual Benchmarking comparison is accomplished, the project is finalised through the Concept and the Realization Phase. Through the implementation of an action plan, the goals set in the first phase can be achieved.

Achievements

Achievements

Benchmarking, as a method to generate ideas from outside one's own company, offers multifunctional benefits. The early stages of the project, the Target and Analysis Phase, the analysis of the company and especially the respective processes already reveals performance deficits and improvement potential, similar to the classical systems analysis and the Business Process Engineering. The result of the Comparison Phase is the combination of the Best Practices and the parameters that were assessed as most suitable with regards to the different aspects of the Benchmarking objects. Special emphasis is put on the aspect of mutual learning among the different Benchmarking partners. The best recognized practices are not likely to be found in one single enterprise, therefore, improvement potential can be revealed in all participating companies. The comparison process »Best Practice«, enables the enterprise to identify possible solutions and to develop a specific action plan..



The 5-Phases Concept of Benchmarking

Used as initiator for a continuous improvement process, the management instrument Benchmarking can revise the corporate strategy and strengthen the competitive competency.

Activities of the ICB

The ICB has conducted a survey called "The Status of Benchmarking in Germany" among the 1,000 enterprises with the highest turnover. The result indicates that in the future more and more enterprises will implement Benchmarking as management instrument and it will be an important component in successful companies. This trend is also reflected in the increasing number of benchmarking related inquiries at the ICB.

Definition of Benchmarking Objectives

- Target Workshops
- Terget System Editor
- Map of Objectives

Modeling of Business Processes

- Integrated Business Modeling
- Mo²Go-Software

Development of the Questionnaire

- Definition of KPIs
- Internal Data Gathering

Selection of Suitable BM-Partners • Classifying Benchmarking • Partner-Matrices

Comparison and Evaluation

Strengths / Weaknesses-Profile

Selection of ICB activities

- Selection of ICB activities:
- BM projects for process optimization in the industrial sector
- International Best Practice transfer workshops
- Fit for service International Benchmarking of the German service industry
- Establishment of Benchmarking Information Centres worldwide
- Benchmarking of framework conditions: EU, federal states, research community (Indonesia, Serbia, Vietnam)
- Benchmarking of quality management systems
- Benchmarking for small and mediumsized enterprises