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## METHODS OF IMPLEMENTATION OF BENCHMARKING STRATEGY IN INDUSTRIAL ENTERPRISES

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### ABSTRACT

In the conditions of globalization, enterprises are experiencing many difficulties in striving to be competitive at the national and international level.

Benchmarking, as a new modern competition tool and business management method, allows enterprises to interact with other market participants, identify means of advantage, implement them in their activities and improve them by better using growth potential.

### KEYWORDS

Benchmarking, business, market, enterprise, competition, globalization, management method.

### INTRODUCTION

Today, benchmarking is constantly growing and there is a great need to learn from the experience of successful benchmarking studies. As soon as an organization realizes through benchmarking that it is lagging behind benchmarks, it is particularly interested in finding best practices that can help address the causes of this lagging. Obtaining and analyzing such

information usually occurs in the process of detailed study of the work of certain organizations.

From this point of view, it seems modern and relevant to study methodological approaches to effectively organize comparison and create practical developments that help to implement it in the activities of local enterprises.

Benchmarking is a process of analyzing a company's performance in order to identify areas that require positive changes as part of a continuous improvement program. This process begins with the analysis of the current activity of the enterprise, after which the areas that need to be improved are determined, and then the efficiency standards are determined by which aspects of its activity are evaluated. The main goal of benchmarking is to bring all the components of the enterprise to the highest level, as well as to maintain these achievements. The selection of samples, usually referred to as the English term best practice, is not always based on the criterion of minimum costs. But it should also be based on an assessment of the usefulness of using the best practices recorded for all interested parties and an assessment of the expected increase in organizational efficiency.

Literature review. The works of foreign authors specially devoted to benchmarking: R. Kamp, B. Andersen, S. Miller, F. Kotler, D. Traut, the theoretical basis of the research was the work of local experts: E.A. Mikhailova, G.L. Bagieva, G.L. Azoeva, A.P. Chelenkova, I.A. Arenkova, A.K. Kazantseva, E.P. Golubkov

In addition, some theoretical and practical aspects of the development of industrial enterprises, especially textile industry clusters, deepening of market relations in the network, improvement of management processes in the enterprises of the cluster were presented by the economists of our republic S.S.

Gulomov, N.Kh. Jumayev, M. Sharifkho'jayev, Yo. Abdullayev, N.Q. Yo. 'Idoshev, M.R. Boltabayev, Z.T. Gaibnazarova, E.A. Muminova, Z.A. Khakimov, S.Sh. Yusupov, I.A. Toshpulatov, N.A. Yuldasheva's scientific research.

## RESEARCH METHODOLOGY

Comparative and economic analysis, analysis and summarization of the results of economic comparison, SWOT analysis, as well as economic-mathematical modeling and econometric analysis methods were used in the work of the article.

## ANALYSIS AND RESULTS

"Benchmark" is a term that has been used by researchers for thousands of years. Land surveyors used "benchmarks"—landmarks to begin calculating distances—as pre-determined starting points, and then they defined plot boundaries. Product quality has been used since the early 1900s to determine how a competitor makes their product and how good that product is.

In the 1960s, US companies introduced methods of studying best practices, but it was not called benchmarking at the time. Thus, IBM noticed that there was a huge amount of variation among its divisions. To standardize the process, the company introduced KPI measurements for each production function (engineering, product design, personnel,

quality assurance, accounting, etc.). Once a year, the results of measuring key indicators are sent to the headquarters of the corporation, where they are analyzed and graphed to compare the performance of all departments. At the end of the work, the company concluded that the total cost of all products could be significantly reduced if the company adopted best practices in its branches around the world. As a result, production was consolidated at all the company's plants. In the future, such studies were called "internal marketing".

The term "benchmarking" first appeared in 1972 at the Cambridge Strategic Planning Institute (USA). There are many definitions of the concept of "benchmarking", but the first and most famous definition was given by R. Kamp, the founder of the classic comparison: "Benchmarking is a continuous process of studying and evaluating the production of goods, services and production experience". Companies recognized as the most serious competitors or leaders in their fields. An interesting definition of benchmarking is given by L. Bossidi, the CEO of Allied Signal, who understands it as taking advantage of the experience of other companies and analyzing one's own techniques by applying the best methods introduced from outside.

Let's consider the classification of management methods related to the comparative approach:

- according to the criterion of comparison of qualitative or quantitative signs - quantitative, qualitative and mixed comparison;
- according to the number of compared characters - monorelative (by one feature) and polyrelative (by many features) comparison.

The above classification makes it possible to distinguish between comparative analysis and benchmarking.

Comparative analysis is the process of forming a system of quantitative indicators of the activity of similar enterprises (as well as structural units of integrated structures) and later using these indicators to justify management decisions. It is based on the combination of quantitative polyrelative comparison with various methods of analysis and evaluation of enterprise activity (balanced scorecard, business value scorecard).

Benchmarking involves mostly quantitative comparisons for many reasons. Benchmarking, on the other hand, is mainly based on qualitative comparisons.

## **CONCLUSION**

Therefore, based on the analysis of approaches to specific aspects of benchmarking, we can distinguish the main elements of this method:

Focus on studying practices and business processes rather than formalized quantitative indicators of enterprises. Benchmarking also includes a comparative analysis of performance results to some extent, which allowed it to be considered as a comparison of its performance with the best in the industry or the world. At the same time, within the framework of benchmarking, private, scattered indicators describing individual business processes are analyzed. This is the preparatory stage of comparison or comparative comparison, and the main role is played by the process.

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