

Chapter 12

Benchmarking: A Method to Improve the Entity's Performance and Change Process

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ABSTRACT

Benchmarking is the process of comparing your own organization, operations, or processes with other organizations in the same industry or a wider market. This chapter intends to analyze the perspective of benchmarking in Romanian SMEs from the perspective of quality, cost, effectiveness, and customer satisfaction. The results show that for many Romanian organizations, benchmarking is still a little overlooked, on the one hand because of the lack of necessary financial resources, on the other hand, of a poor awareness of the importance of these investments in the medium and long term.

INTRODUCTION

Today, organizational culture is one of the concepts of widespread use in practice and in management theory, benefiting from continuous development (Barnes, Dang, Leavitt, Guarana, & Uhlmann, 2018; Cameron, & Quinn, 2011). Specialists are currently trying to explain and demonstrate the role of organizational culture in increasing the efficiency, performance and competitiveness of the firm (Barney, 1986; Lim, 1995; Denison, 1990; Hartnell, Ou, & Kinicki, 2011; Schneider, & Somers, 2006; Tong, & Arvey, 2015).

DOI: 10.4018/978-1-7998-1005-6.ch012

Leaders' decision to apply Benchmarking to their entity can be taken as a result of the desire to continuously improve performance as a result of preventing threats that may arise or as a result of capitalizing on the external or internal environment (Hurley, 2002; Becker, & Huselid, 1998).

Applying the Benchmarking method involves passing it through a complex process of performance comparison, a process that will take place within a predetermined time, and on which it is imperative to establish stages to justify its deployment at the end and to ensure the efficiency reflected in the synchronization of the vision leader with increasing entity performance (Alstete, & Beutell, 2018; Kaplan, & Norton, 2006; Galbraith, & Lawler, 1993).

Foreign managers present in Romania appreciate the good professional training of Romanians, innovation, creativity, sociability, ability to engage in solving situations, the ability to learn quickly and to adopt everything that is Western, but disapprove of the inappropriate use of time, the tendency to solve the tasks at the last moment, the work in jumps, the impression that they can do anything and they are good at everything. It has been found that Romanians are particularly motivated by rewards, and especially by the material ones. Also, Romania's economic situation, the level of inflation, the devaluation of the national currency, the standard of living directly and indirectly affects the components of organizational culture: the aspirations of employees, their expectations, beliefs, behaviors.

In Romanian companies it is necessary to create a model of values compatible with the basic rules of the market economy, to form and consolidate a strong managerial organizational culture. In an organization characterized by such an organizational culture, the values must not only be declared but supported by concrete actions.

The experience of competitive Western firms shows that sometimes the values of organizational culture conflict with the system of objectives. Surviving through a strong organizational culture requires attachment to values, even with the sacrifice of short-term financial interests.

Most initiatives of benchmarking across an entity have pursued competitive advantage through time, quality, cost, effectiveness, and customer satisfaction. The motivation to apply benchmarking by the leader of an entity suggests that it wants one of the processes within the entity to be consolidated.

The current paper intends to identify and analyze the perspective of benchmarking in Romanian SMEs from the perspective of quality, cost, effectiveness, and customer satisfaction.

BACKGROUND

Benchmarking in today's volatile, uncertain, complex, and ambiguous economic environment is the key to controlling entities that have understood and accepted that in order to remain on the market, it is necessary, regardless of the field of activity, to consider Vision Pillar - Innovation as essential. Against the backdrop of rising generations, scarcity of resources, the rate of change is known to continue to accelerate. New social, technological, environmental, political trends converge to create disruptive and disturbing forces, remodeling consumers' behaviors and preferences, going in-depth and responding to how / when / where?

On the other hand, the managers are an element that profoundly marks organizational culture (Amagoh, 2008). The special qualities of the managers, their professional and managerial training, and the specific capacities directly influence the organizational culture. Of course, the highest influence is given by top level managers, then middle managers (Ashkanasy, 2011). They can adopt a simple strategy that moves

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