**The Importance of Organizational Bench Marking**

The term Benchmarking refers to compare the business operations and efficiency of a company to other companies in the same industry. Benchmarking is a continuous practice by which companies try to improve their efficiency. It enables a company to understand how and what should be done to improve. It helps in measuring the gap between the existing and the ideal level of performance. And this further leads to achieve a company’s goals and compete in the industry. It is necessary that the company understands the objective and benefits of benchmarking and differences b/w the bench marking and research. The bench marking should coincide with the management’s objectives.

Benchmarking is measuring gap b/w the prevalent and the best situation and deciding on how to achieve this purpose. This doesn’t mean that it is asking other companies how they operate. It shouldn’t merely focus only on the industry in which the company operates, and also, bench marking is not a finite event. And there is a difference between bench marking and competitor research. Time and resources decide which option to opt for.

Bench marking is a step wise process. Companies need to bench mark in the following way.

**1. performance gap analysis:** this helps in determining what needs bench marking.

**2. approval from leadership:** This eases the process and provision of the required resources.

**3. Determine the goal and scope:** As any other task, benchmarking needs this.

 **4. Recording the proceedings:** this is important as it prevents the loss of valuable time and resources and keeps the process focused.

**5. Gauging the performance:** This is important as it compares the performance level at hand and the desired level. It also tracks the progress of the company.

Now let’s discuss how the company that I work for i.e. Apple Inc. carries out the task of bench marking.Bench marking has been important to Apple Inc. and plays a part in Apple Inc. being the leader in the market.Apple Inc. takes into account the following points while bench marking.

**Determine the right metrics:** Apple Inc.’s performance is gauged by its sales. Sales indicate that the product matches the targeted markets. And also hints at the company’s efficiency at other levels like marketing. So measuring the sales correctly is very crucial as errors in this can affect the process of measuring performance.

**Rightly choose what needs to be compared:** Apple Inc. doesn’t care about the competitors’ numbers, rather pays attention to what the customers are concerned about. In this way new products are designed to be better than the older ones and this justifies the upgrading of the products for customers.

In addition to these, Apple Inc. also compares with the competitors and own performance in the previous periods.

These are the merits that enable the business grow. Bench marking is not the only thing that Apple Inc. needs to succeed. But this surely helps in having an idea of the company’s efficacy and amends any flaws in the performance. Apple doesn’t focus on one feature of the product rather focusses on the entire product and in this way justifies their higher prices. They manufacture the best and matchless products for the customers who demand them. Apple makes it easier for its consumers to understand the functioning of the products by avoiding jargon and using simpler language. Jargon is for those who want to discuss the technical things. Apple makes the consumers experience better and grows in popularity.

Apple’s testing of its devices computing to that of Dell products had been criticized however. The critics cited that it didn’t provide a base for comparison as it didn’t gauge the products actual performance. Apple’s computers were far better than those of Dell on many grounds anyway. Programs like Photoshop were tested and Apple’s products outperformed the other computers in all the tests.

If a successful company like Apple Inc. has to bench mark, then it is evident that bench marking is of extreme importance for any company. Bench marking doesn’t only guide about what should be done, but also indicates what has been done before. If the numbers are high, it means that there has been exceptional performance. Other companies can learn from Apple Inc. and improve in business. Organizational bench marking is indicator of a company’s efficiency, competitiveness and cost effectiveness. This also gives an idea about how other companies have been doing in a certain financial period, as Apple Inc.’s revenues are often compared to those of other giants like Amazon, Samsung, and S&P 500 etc. Although the stocks keep on fluctuating and go down at times, still Apple has managed to retain its market share. For any observer, to measure Apple Inc.’s performance is almost impossible as it is the one that sets the bar, and even changes it. Other companies gauge their performances by comparing them to Apple’s. So to suggest what Apple should introduce and avoid in its benchmarking techniques is beyond one’s senses. Whenever Apple launches a new phone, it claims that it is the best phone made so far, and no one can deny as no one has ever seen a better phone before, neither does expect to see in future save it comes out of a manufacturing unit of Apple Inc. Apple has been doing great since its inception the 1970s, despite the hurdles and the discouragements it had to go through. Initially critics were not very affirmative of the company and its products like the MacBook and thought they would fail but the numbers proved the naysayers wrong. Apple has defined success for itself and for others as well.