

# Assessment

## ***Benchmarking Basics*** ***First Edition***

The objectives of this book are:

- To give an historical perspective on benchmarking
- To provide reasons for benchmarking
- To discuss the benchmarking process
- To give tips for successful benchmarking



## **Assessment Questions for *Benchmarking Basics, First Edition***

*Select the best response.*

1. Benchmarking for organizations retains the meaning of the old land surveyor's term in that it is:
  - A. Related to location
  - B. Concerned with geographic measurement
  - C. A sighting point to make measurements
  - D. Related to physical forms
2. The benchmarking process used in present day corporations was developed by:
  - A. Xerox
  - B. IBM
  - C. General Motors
  - D. GE
3. An organization's objective in a benchmarking project should be to:
  - A. Make more money
  - B. Better meet the requirements of customers
  - C. All of the above
4. Figuring out what to benchmark helps you measure your own processes.
  - A. True
  - B. False
5. Regular benchmarking helps reduce the human tendency to resist change.
  - A. True
  - B. False

6. Organizational reengineering with benchmarking produces a 50-75% production improvement, compared to an improvement without benchmarking of:
  - A. 5-10%
  - B. 10-20%
  - C. 20-30%
  - D. 30-40%
7. Organizational leaders sometimes object to benchmarking because they think it:
  - A. Is stealing the ideas of others
  - B. Leaves no room for individual creativity
  - C. Will expose their company's weaknesses
  - D. All of the above
8. To convince your boss of the value of benchmarking, you should:
  - A. Show why you like it
  - B. Explain how it works
  - C. Show how it will help the company
  - D. Provide case studies
9. Internal benchmarking:
  - A. Is the fastest and cheapest
  - B. Is difficult if internal units are competitive
  - C. Has the lowest benefit level
  - D. All of the above
10. The key to successful competitive benchmarking is:
  - A. Copying the competition
  - B. Adapting the competitor's ideas to your organization
  - C. Either of the above
11. Collaborative benchmarking usually focuses on:
  - A. Quantitative statistics
  - B. Qualitative analysis

12. World-class benchmarking is best suited to organizations with significant experience in benchmarking.
- A. True
  - B. False
13. Your first step in benchmarking should be:
- A. Functional benchmarking
  - B. Internal benchmarking
  - C. Competitive benchmarking
14. The benchmarking process can help you improve individual performance by identifying the practices of:
- A. Your top performers
  - B. Your weakest performers
15. The best people for your benchmarking team will be those:
- A. Who are new to the process being studied
  - B. Directly involved in the process being studied
16. Benchmarking is suitable for industry but not for service organizations.
- A. True
  - B. False
17. Benchmarking requires:
- A. Leadership commitment
  - B. Openness to change
  - C. Knowing your organization's operations well
  - D. Willingness to share with benchmarking partners
  - E. All of the above
18. In recent years, the preferred business process targeted for benchmarking was:
- A. Product development
  - B. Supplier management
  - C. Information systems
  - D. Finance

19. Compensation and human resources are key processes for benchmarking because of:
- A. Poor labor practices
  - B. Extensive layoffs throughout industry
20. The first step in any benchmarking project should be:
- A. Examining data
  - B. Checking the data
  - C. Having a plan
21. Benchmarking without fully understanding your own processes leads to failure.
- A. True
  - B. False
22. You should not ask a benchmarking partner a question:
- A. About their customer service
  - B. That you wouldn't answer
  - C. About their sales growth and profitability
23. Ethical conduct in benchmarking requires that you:
- A. Focus on product improvement
  - B. Respect confidentiality
24. Any benchmarking project requires a site visit.
- A. True
  - B. False
25. A benchmarking study should have clear, accurate objectives based primarily on:
- A. Cost
  - B. Customer requirements and desires
  - C. Both of the above

## **Answer Key for Benchmarking Basics, First Edition**

### ***Recommended response (Corresponding workbook page)***

1. C (4)	6. A (23)	11. A (34)	16. B (44)	21. A (57)
2. A (7)	7. D (25)	12. A (38)	17. E (49)	22. B (60)
3. B (9)	8. C (26)	13. B (37)	18. C (51)	23. B (63)
4. A (8)	9. D (31)	14. A (41)	19. B (52)	24. B (65)
5. A (24)	10. B (33)	15. B (64)	20. C (53)	25. B (9)