

KEY TOOLS FOR ASSESSING AND MANAGING ENTERPRISE COMPETITIVENESS BASED ON BENCHMARKING

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Zhylynska O. I., Gitko I. V. Key Tools for Assessing and Managing Enterprise Competitiveness Based on Benchmarking

This article provides a comprehensive analysis of the key tools used for assessing and managing enterprise competitiveness, with a particular focus on benchmarking techniques. The study explores widely recognized strategic analysis methods, including SWOT analysis, Porter's Five Forces Model, BCG matrix, Balanced Scorecard (BSC), and PEST analysis, alongside newer approaches such as Value Chain Analysis, VRIO analysis, and GAP-analysis. The article emphasizes how these tools, when applied effectively, contribute to improved managerial decision-making, allowing businesses to maintain sustainability and adaptability in an increasingly dynamic market environment. A significant portion of the research is dedicated to the role of benchmarking in competitive strategy formulation. The article highlights how enterprises can leverage benchmarking by systematically comparing their performance metrics with industry leaders and best practices. By doing so, companies can identify areas of strength, pinpoint operational inefficiencies, and implement strategic adjustments to enhance overall productivity and market positioning. The integration of these methods ensures a data-driven approach to corporate strategy, enabling businesses to make well-informed decisions based on empirical insights rather than intuition. Furthermore, the study underscores the growing importance of digital transformation in competitive analysis. With the rapid advancements in big data analytics, artificial intelligence, and automation, companies have access to powerful tools for refining their benchmarking and strategic management practices. Digital benchmarking, predictive analytics, and AI-driven strategic modeling enable enterprises to proactively anticipate market shifts and optimize their competitive standing. By employing a holistic approach to competitive assessment – combining traditional frameworks with modern data-driven methodologies – businesses can build resilience, foster innovation, and secure a sustainable competitive advantage. This research affirms that no single analytical tool is sufficient on its own; instead, a combination of multiple strategic methods, tailored to an organization's specific needs, is the most effective way to ensure long-term success in a fast-evolving global economy.

Keywords: competitiveness, SWOT analysis, BCG matrix, Porter's model, balanced scorecard, strategic management, benchmarking, value chain analysis, VRIO analysis, digital transformation.

Fig.: 3. **Tabl.:** 1. **Bibl.:** 11.

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Жилінська О. І., Гітько І. В. Ключові інструменти оцінки та управління конкурентоспроможністю підприємства на основі бенчмаркінгу

Ця стаття містить комплексний аналіз ключових інструментів, що використовуються для оцінки та управління конкурентоспроможністю підприємства, з особливим акцентом на методах бенчмаркінгу. У дослідженні розглядаються загальноновизнані методи стратегічного аналізу, включаючи SWOT-аналіз, модель п'яти сил Портера, матрицю BCG, збалансовану систему показників (BSC) і PEST-аналіз, а також новіші підходи, такі як аналіз ланцюжка створення вартості, VRIO-аналіз і GAP-аналіз. У статті підкреслюється, як ці інструменти, за умови їх ефективного застосування, сприяють покращенню процесу прийняття управлінських рішень, дозволяючи компаніям підтримувати стійкість та адаптивність у все більш динамічному ринковому середовищі. Значна частина дослідження присвячена ролі бенчмаркінгу у формуванні конкурентної стратегії. У статті висвітлено, як підприємства можуть використовувати бенчмаркінг, систематично порівнюючи свої показники ефективності з лідерами галузі та найкращими практиками. Таким чином, компанії можуть визначити сильні сторони, виявити операційні недоліки та впровадити стратегічні корективи для підвищення загальної продуктивності та покращення позиціонування на ринку. Інтеграція цих методів забезпечує підхід до корпоративної стратегії, заснований на даних, що дозволяє компаніям приймати обґрунтовані рішення, підтвержені на емпіричних даних, а не на інтуїції. Крім того, дослідження підкреслює зростаючу важливість цифрової трансформації в конкурентному аналізі. Завдяки швидкому прогресу в аналітиці великих даних, штучному інтелекту та автоматизації компанії отримали доступ до потужних інструментів для вдосконалення своїх методів бенчмаркінгу та стратегічного управління. Цифровий бенчмаркінг, предиктивна аналітика та стратегічне моделювання на основі штучного інтелекту дозволяють підприємствам проактивно передбачати ринкові зміни та оптимізувати свою конкурентну позицію. Застосовуючи комплексний підхід до оцінки конкурентоспроможності – поєднуючи традиційні рамки з сучасними методологіями, заснованими на даних, – компанії можуть підвищити стійкість, стимулювати інновації та забезпечити стійку конкурентну перевагу. Це дослідження підтверджує, що жоден аналітичний інструмент не є достатнім сам собою; натомість поєднання декількох стра-

тегічних методів, адаптованих до конкретних потреб організації, є найефективнішим способом забезпечити довгостроковий успіх в умовах глобальної економіки, що швидко розвивається.

Ключові слова: конкурентоспроможність, SWOT-аналіз, матриця BCG, модель Портера, збалансована система показників, стратегічне управління, бенчмаркінг, аналіз ланцюжка створення вартості, VRIO-аналіз, цифрова трансформація.

Рис.: 3. **Табл.:** 1. **Бібл.:** 11.

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In today's highly competitive and rapidly changing business environment, enterprises must constantly seek ways to strengthen their market positions and improve efficiency. The ability to analyze internal capabilities, assess industry competition, and anticipate market trends is crucial for long-term sustainability. Strategic management tools such as SWOT analysis, Porter's Five Forces Model, BCG matrix, Balanced Scorecard (BSC), PEST analysis, Value Chain Analysis, VRIO analysis, and GAP-analysis help businesses make informed decisions and adapt to evolving challenges. These tools provide structured frameworks for evaluating strengths and weaknesses, identifying opportunities, and mitigating risks.

Benchmarking is a key approach in assessing competitiveness, allowing companies to compare their performance with industry leaders and adopt best practices. By analyzing key performance indicators, businesses can identify gaps in operations, optimize resource allocation, and implement improvements that drive growth. Effective benchmarking fosters continuous improvement and innovation, ensuring that enterprises remain competitive in their respective markets. The combination of multiple strategic tools enhances the accuracy of assessments and supports better decision-making.

With the rise of digital transformation, businesses now have access to advanced analytical technologies such as artificial intelligence, big data, and automation, which further refine competitive assessments. Digital benchmarking and predictive analytics enable companies to respond proactively to market shifts and optimize their strategies. This article explores the most effective tools for assessing enterprise competitiveness, emphasizing their role in benchmarking and digital strategy integration. By leveraging a combination of traditional methodologies and modern technological advancements, businesses can enhance their strategic planning and maintain a strong market position.

The study is based on the analysis of scientific literature, methods of strategic management and assessment of the competitiveness of enterprises. The main methods used are SWOT-analysis, BCG-matrix, Porter's five forces model, PEST-analysis and the balanced scorecard (BSC). Statistical methods are also used to determine the impact of these tools on the effectiveness of management decisions.

Figure 1 presents the key tools and methods selected for the study.

1. SWOT analysis.

SWOT analysis is one of the most popular methods of assessing competitiveness, which allows an enterprise to identify its strengths and weaknesses, as well as opportunities and threats from the external environment. Its application enables management to make strategic decisions based on the actual market situation. SWOT analysis is an important strategic planning tool that helps to identify the competitive advantages of an enterprise and its potential threats [5]:

- ✦ identifies strengths and weaknesses;
- ✦ evaluates external opportunities and threats;
- ✦ supports strategic decision-making;
- ✦ provides a simple but effective analysis framework.

2. Porter's five forces model (fig. 2).

This tool helps to assess the level of competition in the industry by determining the impact of such factors as:

- ✦ competition between existing market players;
- ✦ the threat of new competitors;
- ✦ the threat of substitute products;
- ✦ influence of suppliers;
- ✦ consumer influence.

«Porter's Five Forces model allows to understand the mechanisms that affect the level of profitability in a particular industry, as well as to predict possible changes in the competitive environment» [2].

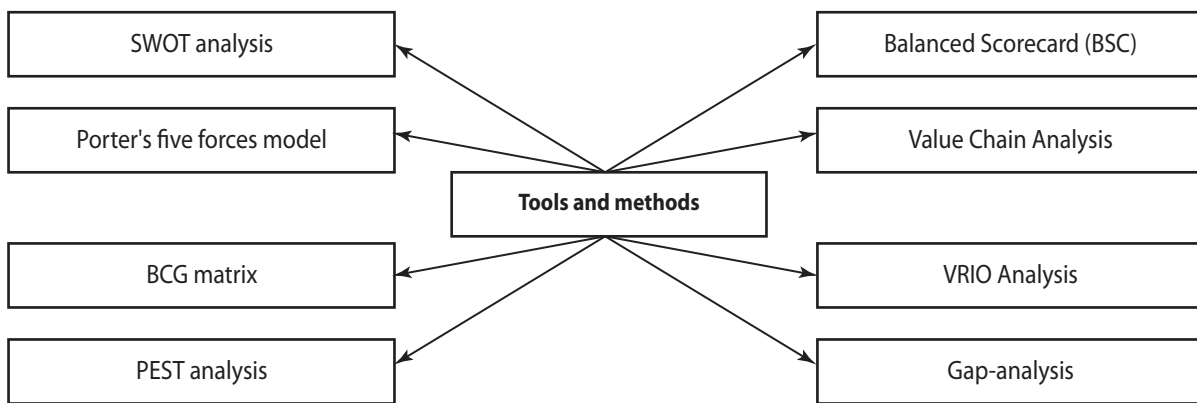


Fig. 1. Key tools and methods for assessing and managing enterprise competitiveness

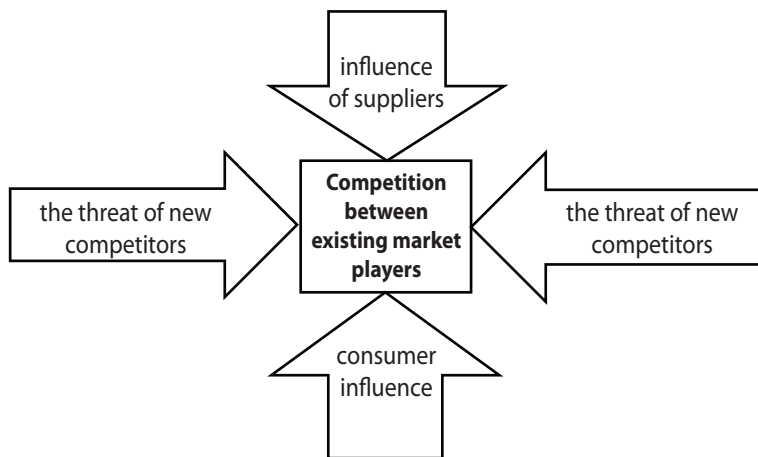


Fig. 2. Porter's five forces model

3. BCG matrix (fig. 3).

The BCG matrix allows you to assess the position of a company's products in the market, classifying them by growth and market share.

It helps to determine which products should be developed and which should be abandoned [7]:

- ✦ classifies products into four categories;
- ✦ assists in strategic decision-making;
- ✦ helps optimize investment distribution.

4. PEST analysis.

PEST analysis allows you to assess the macro-economic factors affecting the company's operations, including political, economic, social and technological aspects. This method helps enterprises prepare for external market changes [9]:

- ✦ analyzes external macroeconomic influences;
- ✦ helps adapt to regulatory and technological changes;
- ✦ identifies opportunities and threats in the broader environment.

5. Balanced Scorecard (BSC).

The BSC is one of the most effective strategic management tools that takes into account four main areas: financial performance, customer service, internal business processes, and staff training and develop-

ment. This holistic approach helps in strategic planning and performance tracking [1]:

- ✦ provides a structured performance measurement;
- ✦ covers financial and non-financial metrics;
- ✦ enhances long-term strategic alignment.

6. Value Chain Analysis.

Value Chain Analysis identifies business activities that contribute to competitive advantage. It helps companies optimize operations, reduce costs, and improve efficiency [8]:

- ✦ breaks down business processes into primary and support activities;
- ✦ identifies areas for cost reduction;
- ✦ helps enhance customer value.

7. VRIO Analysis.

VRIO (Value, Rarity, Imitability, Organization) analysis assesses whether a company's resources and capabilities can lead to a sustained competitive advantage. It determines if a company's strengths are valuable, rare, difficult to imitate, and well-organized [6]:

- ✦ identifies sustainable competitive advantages;
- ✦ helps assess organizational resources;
- ✦ determines if strengths can be maintained long-term.

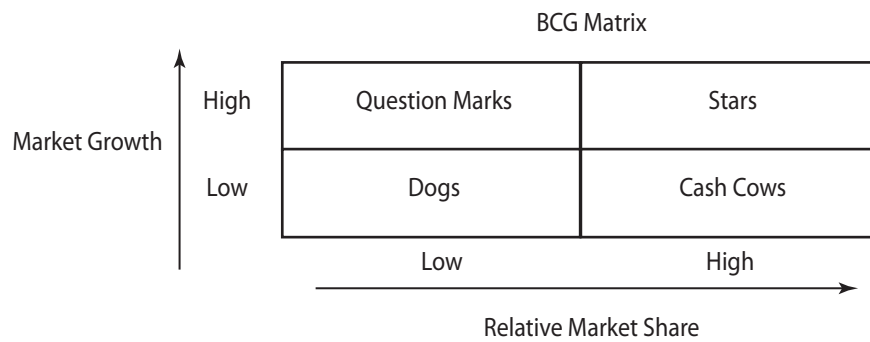


Fig. 3. BCG matrix

8. GAP-analysis.

GAP-analysis is used to compare a company’s current performance with its desired goals. It helps organizations identify strategic weaknesses and areas for improvement [10]:

- ✦ highlights performance discrepancies;
- ✦ guides resource allocation for improvements;
- ✦ supports realistic goal-setting.

«The integration of digital technologies, such as artificial intelligence, big data analytics, and automation, plays a crucial role in modern competitive strategies. Businesses that leverage digital tools for benchmarking and strategic analysis gain a significant advantage in the market» [3].

«Benchmarking is usually seen as a formalized application to find better performance through operational improvement. It aims to allow the company to close the gap between its actual activities and the best indicators on the market (benchmarks). The results of benchmarking analysis can be used not only for corrective action, but also to assist in tactical and strategic decision-making by the enterprise» [11].

Benchmarking is the process of comparing an enterprise’s performance with the best in the industry to identify ways to improve efficiency. The methods discussed above can be used for benchmarking as follows (Table 1). The analysis of Table 1 highlights the diverse range of strategic tools available for benchmarking and their specific applications, advantages, and limitations. SWOT analysis, Porter’s Five Forces Model, and BCG Matrix provide essential insights into competitive positioning, industry dynamics, and product portfolio management. While these tools offer clear benefits such as ease of use, comprehensive market assessment, and structured strategic planning, they also have limitations. SWOT analysis, for instance, is highly subjective, while Porter’s model does not account for internal company factors, and the BCG Matrix is constrained by current market parameters, lacking a long-term perspective. PEST analysis further aids in

external market evaluation but heavily depends on the accuracy of input data.

More advanced methods such as the Balanced Scorecard (BSC), Value Chain Analysis, VRIO Analysis, and Gap-analysis provide deeper insights into strategic management and operational efficiency. The BSC ensures a holistic performance assessment, yet its implementation requires significant resources. Value Chain Analysis optimizes cost structures and identifies competitive advantages but demands detailed data collection. VRIO analysis helps firms assess the sustainability of their competitive advantages, though it can be subjective in evaluating resource imitability. Lastly, Gap-analysis is instrumental in identifying weaknesses and guiding resource allocation but requires precise benchmarking data and realistic goal setting. Overall, while each method has its strengths and weaknesses, a combined approach leveraging multiple tools enhances the accuracy and effectiveness of benchmarking in strategic decision-making.

«The use of assessment tools in the benchmarking process allows companies to adapt best market practices, increase their competitiveness, and strategically plan their development» [4].

However, each method has its own advantages and limitations, so it is best to use them in combination. This will help ensure a comprehensive analysis, improve the accuracy of management decision-making, and strengthen the company’s market position.

CONCLUSIONS

The study demonstrates that an integrated approach to assessing and managing enterprise competitiveness is essential for achieving long-term market sustainability. By utilizing strategic analysis tools such as SWOT analysis, Porter’s Five Forces Model, BCG matrix, PEST analysis, Balanced Scorecard (BSC), Value Chain Analysis, VRIO analysis, and Gap-analysis, businesses can systematically evaluate their strengths,

Use of Tools in Benchmarking

Tool	Application in Benchmarking	Advantages	Disadvantages
SWOT Analysis	Identifies competitors' strengths and weaknesses, allowing adaptation of their best practices.	Easy to use, provides a comprehensive analysis.	Subjective evaluation, requires additional data verification.
Porter's Five Forces Model	Assesses the competitive environment and key success factors of market leaders.	In-depth industry structure analysis, helps predict market changes.	Can be complex to apply, does not consider internal company factors.
BCG Matrix	Helps analyze the product portfolio in comparison with competitors to optimize investments.	Clear product classification by effectiveness, aids strategic planning.	Limited to current market parameters, does not consider long-term trends.
PEST Analysis	Used to assess macroeconomic factors affecting the market and competitors.	Allows adaptation to external changes, identifies risks and opportunities.	Highly dependent on the relevance of initial data, may overlook local factors.
Balanced Scorecard (BSC)	Helps build an effective strategic management system using best industry practices.	Comprehensive performance assessment, considers long-term goals.	High implementation complexity, requires significant resources for adaptation.
Value Chain Analysis	Identifies business activities that contribute to competitive advantage.	Helps optimize operations and cost structure.	Requires detailed data collection, can be time-consuming.
VRIO Analysis	Assesses the sustainability of a firm's competitive advantage.	Helps identify valuable and rare resources.	Subjective analysis, difficulty in evaluating imitability.
Gap-analysis	Compares current performance with strategic goals to identify improvement areas.	Highlights weaknesses and guides resource allocation.	Requires precise benchmarking data and realistic goal-setting.

Source: [1; 5; 6; 7; 8; 9; 10].

weaknesses, opportunities, and threats. These methodologies provide a structured framework for making data-driven decisions, optimizing internal processes, and adapting to changing market conditions. The combination of these tools allows enterprises to enhance their strategic planning and develop more effective competitive strategies.

Benchmarking has proven to be a crucial element in the competitiveness assessment process, enabling companies to compare their performance against industry leaders and adopt best practices. Through benchmarking, businesses can identify gaps, improve efficiency, and refine their operational models to stay ahead of competitors. However, the effectiveness of benchmarking depends on selecting the right tools and ensuring continuous monitoring of key performance indicators. A holistic approach that integrates multiple analytical methods enhances the accuracy and reliability of competitiveness assessments, helping organizations navigate challenges and seize growth opportunities.

Moreover, the growing impact of digital transformation presents new opportunities for enhancing competitiveness. Advanced technologies such as artificial intelligence, big data analytics, and automation provide deeper insights into market trends, consumer behavior, and operational efficiency. By integrating digital tools with traditional strategic management frameworks, enterprises can improve their decision-making processes, increase agility, and maintain a sustainable competitive advantage. Ultimately, businesses that adopt a data-driven and adaptive approach will be better positioned to thrive in an increasingly dynamic and globalized economy. ■

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