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Abstract

Competition is tough in almost every business today. Effectiveness and strive to do things better than competitors is prerequisite for successful economic activity.

There exists several ways how processes can be improved. One and very popular tool for this is benchmarking. The idea in benchmarking is to study other companies from different or the same branch. In benchmarking, the company's own way to do things is compared to the others. Often there can be found processes that are better than the one used. If these activities are good enough, those can be regarded as best practices. In the context of this study, benchmarking is considered from internal benchmarking point of view i.e. benchmarking activities carried out between units of the same concern. A big issue after finding and recognizing "best practices" is how to transfer them into one's own company.

Data was collected from different sources. The intranet and annual reports of the case company were very useful. However, the main input was achieved by interviewing the personnel and observing the processes. The fishbone chart, which is also known as a cause-and-effect chart was used throughout the whole thesis to explain relationships between different subassemblies.

In the empirical part of the study is presented an overall look to case company's supply chain and the major problems harming the flow through the chain. Also a more detailed glance at three participated units is presented. These units are located in Finland, Sweden and in the United Kingdom. During the interviews and collecting the data it became evident that the case company's unit in the UK could be regarded as a best practice in the context of internal benchmarking. The intend of the last empirical chapter is to dig up the critical success factors enabling the effective action of the entity. Like in many other phases of the study, the cause-and-effect chart was also used here to help building an overall picture and links between different actions. The basic grouping consisted of six areas. These were environment, equipment, processes, management, materials and people. Things affecting these headlines were taken into detailed consideration. The natural and very interesting continuation for this study would have been observing the implementation of the UK model to other locations. However, that project will take more time and the time available for this study was unfortunately limited so following the internal transfer was not carried out in this thesis.

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| Further information | |