



**Immediate benefits for your clients from the business benchmarking services you perform for them include:**

### **Motivation for change**

Anybody can have a subjective opinion about the need to change or stand pat, but benchmarking data takes the subjectivity element out of the equation and it empirically demonstrates the need for change. If you can show your client the extent to which its productivity is lagging, you will have provided the owner/manager with a strong incentive to change.

### **Financial and operational gap analysis**

From this analysis your clients can see the distance between their goals and reality. Your primary consulting work then is to lead them in strategic thinking and planning to develop action steps to close the gaps.

### **Improved competitive position in the clients' industries**

The implications of competitive strength in an industry go far beyond a cosmetic ranking. The most obvious benefit is to begin correcting competitive weaknesses. In addition, benchmarking that identifies relative competitive strength will provide leverage to a business owner that is selling the business. Most business valuation software provides information about book value of assets but does not necessarily measure the strength of the company as a going concern in its industry.

### **Increased financial productivity**

Many managers of small businesses use annual profit as the primary measure of success for their companies and give little attention to whether the profit is sufficient to justify current investment in assets and whether it is building sufficient equity for the shareholder (s). The use of industry-wide financial ratios will demonstrate to your clients whether their businesses are creating wealth and capital as successfully as their competitors.

### **Improved quality of products and services**

Benchmarking can reveal strengths and weaknesses of both internal and external services from accounts receivable turnover to customer satisfaction. Any work process that can be defined and measured can be benchmarked.

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