



THE PROMOTING, THE PARTNERSHIP AND REGIONAL COLLABORATION OF FOUNDRIES

CHIRA Ion, VERDES Bogdan Alexandru

Politehnica University of Bucharest, ROMANIA

ABSTRACT

The Information Society (I.S.) realized the salt from QUALITY stage (TECHNICAL QUALITY CONTROL – T.Q.C.) to the philosophy and the concepts of TOTAL QUALITY (T.Q.) and TOTAL QUALITY MANAGEMENT (T.Q.M.), with all their particularities and technical and economical consequences.

The activities and processes globalization involves new ways to realize and approach the PROMOTION, PARTNERSHIP and COLLABORATION concepts.

On the other hand, the IT&C field (INFORMATION TECHNOLOGY – IT; TELECOMMUNICATIONS - IT&T; COMPUTERS - IT&C) with its software and hardware elements, as fundamental support of the information society has become omnipresent and the INTERNET – a global way to communicate and an infinite data-base.

The current paper plans only to initiate some discussions in this vast area, which is continuing developing as fund and sophisticated in form.

1. INTRODUCTION

In short, is an online strategy to promote websites. More exactly, it is a plan to promote one's website through exclusively online tools, mainly aiming to attract as many new customers, following the strategy: minimum cost - maximum sales profits.

Essential stage of any marketing plan on the Internet is optimization of websites for their identification by search engines, and the insertion of domain and subdomains in web directories.

A modern business, no matter how big or small, is without a marketing plan on the Internet either only a local business or a simple business implemented without much perspective in time and space.

From my own experience, I concluded that any person, activity, achievement, etc., as valuable as it would be in theory, if it is not posted and promoted over the internet, is equivalent with the absence of it. Everything is evaluated and compared with "something", which now the internet makes it accessible to us [2].

For a website to be accessed and seen by as many visitors, it must be designed and implemented a promotion campaign. Neither the best designed website doesn't worth anything, if it isn't brought to the attention of field specialists, the public opinion, which is becoming increasingly informed.

To watch how it is achieved this step can create a database that includes all actions to promote. For instance, for the promotion with the aid of search engines you can create a table includes the following information: name of search engine / directory, date of registration, the time required for registration; keywords used. After you complete the online form registration one must wait several days or several weeks (depending on the chosen search engine) until it is registered.

2. THE STUDY

An organization can absorb information from other organizations that are considered market leaders in this field based on the results achieved, aiming at continuously improve them [3.7].

To achieve this goal can be used benchmarking as a source of acceleration of organization's progress.

The essence of benchmarking is to choose what is best in a business, to adapt what is best from a company and to continuously improve your operations, by appropriate and specific strategies to ensure success. Benchmarking is a tool used in management quality, appeared in early 1980 and first time was used by the US company Xerox, following the sudden decline of its market share.

As underlined in a report, the Committee on Industrial Productivity in the Institute of Technology in Massachusetts, benchmarking has been in recent years, an essential factor for success of the biggest known organizations in all areas of the economy.

Currently, the rapid development of the benchmarking lead to including it in the tools to improve the quality standard "ISO 9004-4: Quality management and quality system elements - Part 4. Guidelines for the increase of quality."

Specialists have brought a relatively high number of definitions of the new tool used in quality management and marketing. Among the most significant set of definitions are the following:

- ✚ In business, benchmarking is a process in which a company compares its products and methods with those of the most successful companies in its field, in order to try to improve its own performance;
- ✚ Benchmarking is the process of comparing the cost, time or quality of what one organization does against what another organization does. The result is often a business case for making changes in order to make improvements;
- ✚ Also referred to as "best practice benchmarking" or "process benchmarking", it is a process used in management and particularly strategic management, in which organizations evaluate various aspects of their processes in relation to best practice, usually within their own sector. This then allows organizations to develop plans on how to make improvements or adopt best practice, usually with the aim of increasing some aspect of performance. Benchmarking may be a one-off event, but is often treated as a continuous process in which organizations continually seek to challenge their practices;
- ✚ Benchmarking is the process of identifying, understanding and adopting the methods and processes of any outstanding world organization, in order to increase the organization's performance (the American Center for Quality and Productivity);
- ✚ Benchmarking represents the research of the best processes, procedures or results relevant to achieve the business targets. Therefore, the goal is to learn to improve ones performance (D.T. Kearns – Xerox GM);

In 2008, a comprehensive survey on benchmarking was commissioned by the Global Benchmarking Network (a network of benchmarking centers representing 22 countries - and for which the founder of benchmarking, Dr Robert Camp, is the honorary president). Over 450 organizations responded from over 40 countries. The results showed that:

1. Mission and Vision Statements and Customer (Client) Surveys are the most used (by 77 % of organizations) of 20 improvement tools, followed by Strengths, Weaknesses, Opportunities, and Threats SWOT (72 %), and Informal Benchmarking (68 %). Performance Benchmarking was used by (49 %) and Best Practice Benchmarking by (39 %);
2. The tools that are likely to increase in popularity the most over the next three years are Performance Benchmarking, Informal Benchmarking, SWOT, and Best Practice Benchmarking. Over 60 % of organizations that are not currently using these tools indicated they are likely to use them in the next three years;
3. When Best Practice Benchmarking is done well significant benefits are obtained with 20 % of projects resulting in benefits worth US\$ 250,000.

4. ANALISES, DISCUSSIONS, APPROACHES, INTERPRETATIONS

- ✚ Process benchmarking - the initiating firm focuses its observation and investigation of business processes with a goal of identifying and observing the best practices from one or more benchmark firms. Activity analysis will be required where the objective is to benchmark cost and efficiency; increasingly applied to back-office processes where outsourcing may be a consideration.
- ✚ Financial benchmarking - performing a financial analysis and comparing the results in an effort to assess your overall competitiveness.
- ✚ Performance benchmarking - allows the initiator firm to assess their competitive position by comparing products and services with those of target firms.
- ✚ Product benchmarking - the process of designing new products or upgrades to current ones. This process can sometimes involve reverse engineering which is taking apart competitors products to find strengths and weaknesses.
- ✚ Strategic benchmarking - involves observing how others compete. This type is usually not industry specific meaning it is best to look at other industries.
- ✚ Functional benchmarking - a company will focus its benchmarking on a single function in order to improve the operation of that particular function. Complex functions such as Human Resources, Finance and Accounting and Information and Communication Technology are unlikely to be directly comparable in cost and efficiency terms and may need to be disaggregated into processes to make valid comparison.

For a department, industry, foundry in Romania or for an European regional cooperation can use concepts such as:

- ✚ "Horizontal benchmarking" - aimed at identifying best practices in the function of processes in referential organizations that are recognized as market leaders, but are not direct competitors of the organization conducting the benchmarking;
- ✚ "External benchmarking" - is similar to the horizontal one, but aimed directly competing organizations (in the same activity area);
- ✚ "Functional benchmarking" - aimed at comparing the functions of the organization conducting the benchmarking with a similar function in a given referential profitable organization;
- ✚ "Internal benchmarking" - aimed to analysis comparatively the processes of two departments of the same organization (one of them being considered as reference) [4,5].

There is no single benchmarking process that has been universally adopted. The wide appeal and acceptance of benchmarking has led to various benchmarking methodologies emerging. The most prominent methodology is the 12 stage methodology by Robert Camp (who wrote the first book on benchmarking in 1989): 1. Select subject ahead; 2. Define the process; 3. Identify potential partners; 4. Identify data sources; 5. Collect data and select partners; 6. Determine the gap; 7. Establish process differences; 8. Target future performance; 9. Communicate; 10. Adjust goal; 11. Implement; 12. Review / recalibrate. There are organizations which use other benchmarks models tailored to their needs (see fig. 1) [7]:

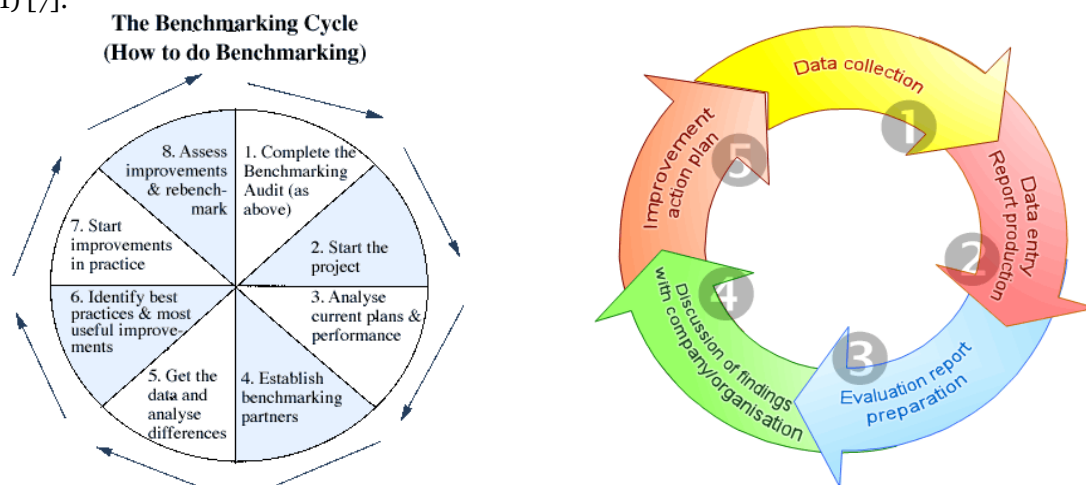


Fig. 1 Different benchmarking models

The following is an example of a typical shorter version of the methodology:

1. Identify your problem areas - Because benchmarking can be applied to any business process or function, a range of research techniques may be required. They include: informal conversations with customers, employees, or suppliers; exploratory research techniques such as focus groups; or in-depth marketing research, quantitative research, surveys, questionnaires, re-engineering analysis, process mapping, quality control variance reports, or financial ratio analysis. Before embarking on comparison with other organizations it is essential that you know your own organization's function, processes; base lining performance provides a point against which improvement effort can be measured.
2. Identify other industries that have similar processes - For instance if one were interested in improving hand offs in addiction treatment he/she would try to identify other fields that also have hand off challenges. These could include air traffic control, cell phone switching between towers, transfer of patients from surgery to recovery rooms.
3. Identify organizations that are leaders in these areas - Look for the very best in any industry and in any country. Consult customers, suppliers, financial analysts, trade associations, and magazines to determine which companies are worthy of study.
4. Survey companies for measures and practices - Companies target specific business processes using detailed surveys of measures and practices used to identify business process alternatives and leading companies. Surveys are typically masked to protect confidential data by neutral associations and consultants.
5. Visit the „best practice" companies to identify leading edge practices - Companies typically agree to mutually exchange information beneficial to all parties in a benchmarking group and share the results within the group.
6. Implement new and improved business practices - Take the leading edge practices and develop implementation plans which include identification of specific opportunities, funding the project

and selling the ideas to the organization for the purpose of gaining demonstrated value from the process.

The technique initially used to compare existing corporate strategies with a view to achieving the best possible performance in new situations (see above), has recently been extended to the comparison of technical products. This process is usually referred to as „Technical Benchmarking” or „Product Benchmarking”. Its use is particularly well developed within the automotive industry („Automotive Benchmarking”), where it is vital to design products that match precise user expectations, at minimum possible cost, by applying the best technologies available worldwide.

Many data are obtained by fully disassembling existing cars and their systems. Such analyses were initially carried out in-house by car makers and their suppliers. However, as they are expensive, they are increasingly outsourced to companies specialized in this area. Indeed, outsourcing has enabled a drastic decrease in costs for each company (by cost sharing) and the development of very efficient tools (standards, software).

Since the new trend in benchmarking practice establishes a partnership between organizations, before any activity, they are obliged to sign a statement by which each party undertakes to comply with the Code of Conduct for the benchmarking practice.

In the U.S., members of the American Center for Quality and Productivity (APOQ) must, if they practice benchmarking in partnership, apply 8 principles of the Code created by this institution (see tab. 1) [7.8].

Another approach to making comparisons involves using more aggregative cost or production information to identify strong and weak performing units. The two most common forms of quantitative analysis used in metric benchmarking are data envelope analysis (DEA) and regression analysis (RA). DEA estimates the cost level an efficient firm should be able to achieve in a particular market. In infrastructure regulation, DEA can be used to reward companies/operators whose costs are near the efficient frontier with additional profits.

Table 1 Principles of A.P.O.Q. code in the benchmark partnership

| PRINCIPLE | RECOMANDATIONS |
|--|---|
| 1. Legality principle | <ul style="list-style-type: none"> • There is no discussion about costs • One mustn't offer data and studies to other companies |
| 2. Mutual exchange principle | <ul style="list-style-type: none"> • The same kind of information is exchanged between partners • All communication channels between partners are active |
| 3. Confidentiality principle | <ul style="list-style-type: none"> • It is forbidden to trade information with others without the partner's consent |
| 4. Using principle | <ul style="list-style-type: none"> • The obtained information can be used only in the initial purpose established between partners |
| 5. Contacting principle | <ul style="list-style-type: none"> • Must be respected the partner's company structure • There will be contacted only the persons indicated by the partner • Must be established communication procedures and responsibilities • The names of the contact persons will be used, no matter the situation, only with their approval |
| 6. Activity preparation principle | <ul style="list-style-type: none"> • Must be set priorities in the initial contact with the partner • Must be prepared carefully the information exchange between partners • Mutual establishing of the activities and visits calendar |
| 7. The continuous improvement of the activity principle | <ul style="list-style-type: none"> • Following-up the manner in which is respected the activities calendar previously established • Continuous recording of feed-back |
| 8. The principle of establishing mutual relations with the partner | <ul style="list-style-type: none"> • Delivery of information in the form and manner requested by the partner |

RA estimates what the average firm should be able to achieve. With regression analysis firms that performed better than average can be rewarded while firms that performed worse than average can be penalized. Such benchmarking studies are used to create yardstick comparisons, allowing outsiders to evaluate the performance of operators in an industry. A variety of advanced statistical techniques, including stochastic frontier analysis, have been utilized to identify high performers and weak performers in a number of industries

The London Benchmarking Group (LBG) is a group of over 100 companies working together to measure Corporate Community Investment (CCI). It is a member-driven organization where companies have been working collectively since 1994 to:

- Continue development of a global measurement standard - the LBG model;
- Benchmark and share best practice;
- Develop and refine measurement tools;
- Improve management and implementation of CCI projects;
- Better communicate CCI results to stakeholders with LBG centers;

The model is used by hundreds of leading businesses around the world and LBG has centers in a number of key world markets including Australia, Canada, the Czech Republic, Germany and the US. Members include multinationals such as HSBC, Vodafone and Unilever, as well as major UK companies such as Marks and Spencer and BSKyB.

The LBG model provides a comprehensive and consistent set of measures for CCI professionals to determine their company's contribution to the community, including cash, time and in-kind donations, as well as management costs. The model also captures the outputs and longer-term impacts of CCI projects on society and the business itself.

Starting with September 2008, London Benchmarking Group (LBG) has a local branch. The organization provides to its members the LBG Model, a tool for collecting and analyzing data, related to programs. The Association for *Community Relations* (ARC) is the only organization in Romania authorized to manage the LBG model.

For our country it is mandatory to create a benchmarking network in order to use strategic, performance and process benchmarking to support economic reform, commerce for small and medium Enterprises, as Foundries for instance.

What is evident in the production - optimization of the capacity and reduced production costs - can be done successfully and in services. With the design of the Horvath & Partners program to improve the performance of services, indirect costs may be deducted up to 40 %. In light of the current situation and the location chosen for the deployment of services [8]; to be consulted as well the web page <http://www.horvath-partners.com>.

How can be optimized accounting services, human resources, IT, procurement and facility management? In a first of the services of a company does not appear to fall within the scope of optimization. There is no benchmarking of the „market price” and last but not least, domestic suppliers companies have a real monopoly. However: the implementation of a program to improve the performance of services in certain trees, not only for the purpose of lowering indirect costs - which make it possible depreciation costs of implementation in a very short time, but for better control of costs and greater transparency. Initiative is such a culture of service, bureaucratic structures are replaced with partnerships based on value creation and ensure a standardization processes and systems in the company.

A positive aid for promoting national and foundries business partnership and collaboration was produced by the appearance of the Technical Association of Romanian Foundries (ATTR) and by the profile publication Casting Magazine (RT).

For example in April, May, July and October 2007 were sent questionnaires towards 192 companies from national castings industry for the purpose of drawing up the analysis of production of castings in 2006, unfortunately to this project replied only 121 firms (see tab. 2) [1].

4. CONCLUSIONS

We suggest creating a portal about foundries – the casting of foundered products and a discussion topic for the forum on the opportunity and ways of:

- ✚ initiating benchmarking program for each company / foundry; - forming a national network of benchmarks in this area; - the training of specialists in initiating, conducting, developing and implementing benchmarking projects;
- ✚ identifying the areas of interest and developing a database; - affiliation with European and international benchmarking networks; - organizing international symposiums with international participation; - supporting publishing books, magazines, articles with this theme.

Table 2 Summary of the national production of castings in 2006

| PARAMETER | COMPANY | RANKING |
|------------------------------------|---|---------|
| 1 – Total Production, t | - position 1 / SATURN S.A. Alba Iulia = 15,170.00 | |
| | - position 121 / FORJA Cugir SRL = 6.20 | |
| 2 – Cast iron products, t | - position 1 / SATURN S.A. Alba Iulia = 15,170.00 | |
| | - position 72 / FORJA Cugir SRL = 1.50 | |
| 3 – Steel products, t | - position 1 / DOOSAN – IMGB S.A. Bucuresti = 4,750.00 | |
| | - position 54 / MECANEX S.A. Botosani = 3.50 | |
| 4 – Non-ferrous alloys products, t | - position 1 / PIERREPI PRESSOFUSSIONI Bucuresti = 7,686.00 | |
| | - position 84 / ARIS S.A. Arad = 0.51 | |

The expected results and the estimated effects are: - promoting the concept, techniques and tools of benchmarking in Romania and creating a portal on the Internet in the mentioned field; - forming benchmarking organizations and benchmarking network; - offering a new benchmarking service to SMEs, such as and other governmental or nongovernmental organizations; - creating the

premises of continuously improving the performance by identifying and implementing the best technologies and processes for casting, along with the consolidation of a market-specific sales and marketing activities of castings.

These data, and each site / web page of a company represents a database with known valences and opportunities.

The mutual beneficial exchange of technical information and documents of the type of technologies and processes for casting, sales opportunities and sales (raw materials, metal and nonmetallic materials ancillary foundry, SDV technologies, equipment technology, casting), can be achieved by the methodology "SHARED", specify the exchange of multimedia on the Internet (and audio products, video), process the day to day, take a scale difficult to impossible to forecast and counting.

"SHARED" is the past and / or past part. Of the "share" noun with the meaning of: part, quota, exchange (give and receive something else similar).

Intransitive verb has the meaning of: "a share, to take part, to participate". In English, in this sense, are usually present the expressions: "to share in, to share out, a share in doing something, Founder's share, share in profits, to pay one's share, to share something with somebody."

Currently, the Internet with such specialized web-pages regarding local or worldwide foundries, keeps a constant discussion in shared regime. Thru these web-pages and by a good benchmark policy lead to effective promoting, partnerships and collaboration activities between national foundries and the ones from neighbor countries: West – Hungary, Serbia, South – Bulgaria, Turkey, and East – Republica Moldova, Ukraine and Russia.

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