International Benchmarking Methodology Applied to Organizations

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Abstract

The international benchmarking methodology has emerged as a crucial device for understanding global interconnectedness, and the need for countries and regional blocs to interact at various levels. When adapted for use in the business context mindful of intersectoral collaboration, it facilitates the development of standards to determine the nature and extent of international interactions, facilitating the development of avenues for conceptualizing differences and similarities in policies, actions, and national strategies. The adapted methodology focuses on power dynamics analysis, focusing on states’ motivations and behaviors, and analyzing economic, diplomatic, and military factors. The emerging approach is tailored to the unique characteristics of G20 and Gulf Cooperation Council (GCC) countries, integrating theoretical insights with practical steps for supporting decision-making and intersectoral dynamics. The methodology also addresses cooperation and economic interdependence, leaning heavily towards liberalism theory, which emphasizes cooperation, institutions, and the interconnectedness of entities. It emphasizes the potential for collaboration, shared norms, and the role of international organizations. This adapted methodology involves evaluating existing economic collaborations, incorporating benchmark techniques for competitiveness, and assessing institutional roles and agreements. This approach aims to promote global cooperation, facilitate faster conflict resolution, and yield mutual benefits that is a forerunner for moving innovative and creative approaches forward within the context of transformation initiatives.

Keywords

International Benchmarking, Global Interconnectedness, Business Contexts, Power Dynamics Analysis, International Institutions

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1. Introduction

An international benchmarking methodology explains the complexities of global interconnectedness and the need for countries and regional blocs to interact at various levels. A benchmarking methodology is essential as it develops the necessary standards to determine the nature and extent of international interactions. It facilitates the development of avenues for conceptualizing differences and similarities in policies, actions, and national strategies. The report analyzes critical factors to consider when developing such a framework. As such, the findings will allow international relations consultants to employ recommendations that strengthen diplomatic strategies between different countries. It will promote global cooperation while facilitating faster conflict resolution, yielding mutual benefits. The methodology will highlight best practices linked to global interactions and areas which require improvement. Building upon a solid theoretical foundation, this methodology provides definitive steps for international benchmarking tailored to the unique characteristics of G20 and Gulf Cooperation Council (GCC) countries. The approach integrates theoretical insights with practical steps, ensuring a rich evidence basis and facilitating actionable utilization. Evidence-based literature can be used to determine effective international benchmarking standards necessary for improving global collaboration, cooperation, and governance.

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2. Literature Review

2.1 Theoretical Framework in Benchmarking

2.1.1 Power Dynamics Analysis

Realism is the main international relations theory that allows one to analyze and understand the motivations and behaviors of states. Bell (2017) explains that political realism covers a wide variety of methodological and political approaches, allowing one to apply it to fit the political environment of a country, region, or continent. For instance, realism emphasizes power as a central factor in international relations, whereby states are rational actors concerned with their survival and security (Drezner, 2020). As such, building a benchmark methodology must recognize that nations are driven by a desire to enhance their power and security, requiring assessment of economic and diplomatic factors and military capabilities and security considerations. Using this theoretical perspective, the focus should be on state actions and policies. As such, the methodological formulation conducted comparative assessments that emphasize interests and strategies pursued by states, acknowledging that the state is the primary unit of analysis. Accordingly, the practical steps taken to implement the benchmark for the GCC under this theory include the identification of key economic indicators based on Wagner’s (2007) emphasis on strategic decision-making. The second step involves an analysis of the geopolitical power struggles within G20 and GCC countries, aligning with competitive intelligence principles. Therefore, the international benchmarking methodology used a realistic theory that focuses on states as the central actors interested in their long-term survival using economic, diplomatic, and military powers to balance power as they relate with other countries.

2.1.2 Cooperation and Economic Interdependence

The approach used to formulate international benchmarking while addressing cooperation and economic interdependence relied heavily on the liberalism theory. Liberalism, as an international relations theory, emphasizes cooperation, institutions, and the interconnectedness of states (Buzan & Lawson, 2014). Such a theory provided the necessary insights into the potential for collaboration, shared norms, and the role of international organizations. Liberalism stresses the potential for cooperation and mutual benefit among states. As such, a liberal perspective suggests an emphasis on collaborative efforts, requiring benchmarking methodologies to assess the competitive aspects and the potential for cooperative ventures, aligning with the liberal idea that states can pursue shared goals. In this regard, liberalism stresses international institutions as mechanisms for cooperation and conflict resolution as they give a platform for countries to interact and collaborate. As such, the practical steps according to the liberalism theory include evaluating existing economic collaborations, incorporating the benchmark techniques for competitiveness. Such a step involves an assessment of institutional roles and agreements per Wagner’s (2007) strategic decision-making to find realistic aspirations for policymakers as Dominque et al. (2013) explain. Hence, liberalism will help in modeling the benchmark for cooperation and economic interdependence.

3. The Implementation Methodology

3.1 Economic Parity Assessment

Employing the realism and liberalism theory would help in assessing the economic parity of the GCC countries and those of the G20. Huggins (2009) explains that regional benchmarking is facilitating the heightened regional interaction necessitated by globalization. In such a case, the first step to benchmark is to focus on the key economic indicators that would be used to determine the strongest and the weakest economies in the GCC and G20. As such, the best economic indicators to use are Gross Domestic Product (GDP), trade openness, human development index (HDI), research and development (R&D) index, income inequality, public debt-to-GDP ratio, and labor market participation rate. Such an approach will require one to collect significant information on the countries and compare them. Countries that score highest in the above seven economic indicators are considered the most advanced ones, used as the benchmarks for other countries to imitate. Hence, the first step would be to comprehensively analyze the economic indicators of the countries to determine the most economically stable and use it as the benchmark.

The second step would be to analyze the economic collaboration patterns in the GCC and the G20 countries by leveraging competitive intelligence principles to gain insights into the strategies, strengths, and interactions among member countries. Competitive intelligence involves thorough collection, analysis, and interpretation of competitor information to make informed decisions. Anand and Kodali (2008) explain that benchmarking is a catalyst for improvement and innovation, requiring the use of competitive intelligence. Accordingly, the analysis will focus on the trade networks, which involves the identification of key trading partners, commodities, and trading routes to reveal which countries dominate specific industries and how trade alliances are formed. This analysis should focus on the investment flows, resource sharing and diversification, technology and innovation collaborations, and the economic policies and regulations to determine the leaders to emulate. Thus, analyzing economic collaboration patterns among the GCC and comparing it to the G20 would help identify the leaders and use them as the benchmarks for policymaking.
3.2 Systematic Method for Sourcing Evidence

Developing an international benchmarking methodology requires a systemic method for gathering peer-reviewed evidence and official records with details on the outcomes of international relations. It is necessary to use empirical data to inform decision-making processes (Awan et al., 2021). This entails reviewing findings with empirical data, reliable sources, and rigorous analysis methods. Such findings are insightful for policy formulation and efficient decision-making. They often emphasize facts over subjective opinions or ideological positions (Hagström & Gustafsson, 2019). The process entails determining a list of reliable sources of literature. Online sources include a comprehensive list of databases and repositories. These include specialized databases such as ProQuest, International Relations Online, and JSTOR (Tyson & Dinneen, 2020). The databases feature a rich collection of publications covering research articles, reports, and academic literature (Valverde-Berrocoso et al., 2022). While not all the resources are peer-reviewed, the databases have tools that allow consultants to filter sources by parameters such as peer activity and recency. Journals and publications can also be used to source authoritative findings on international relations. Such sources can be accessed from the organization’s official websites and industrial databases.

Grey literature sources are unavailable through academic publishing channels of traditional commercial databases. These sources can be crucial in availing unique insights into international order and relations. They are an excellent source of original working papers, policy briefs, theses, white papers, and conference proceedings (Garousi et al., 2019). Developing the methodology will require access to a pre-selected list of sources that publish independent research, including government agencies and international organizations. The government often lists its grey reports on official websites that belong to specific agencies. A key benefit of relying on government publications is that they are free, hence, easy to access. The downside of the approach is that government publications may be politically biased (Keating & Kaczmarska, 2019). One can mitigate this risk by consulting publications from multiple governments. International organizations such as the EU, UN, and the IMF are considered reliable sources of grey reports on international relations (Herold et al., 2021). Topics covered in such publications include humanitarian efforts, conflict resolution, economic development, and global issues.

3.3 Reclustering of Countries

Developing an effective international benchmarking methodology will require grouping countries into ideological clusters. Global relations and clusters are established based on economic, socio-cultural, and geopolitical dynamics (Leijten, 2019). These arrangements tend to be inaccurate since they do not consider developments over the past few decades. Such reclustering should follow the realism and constructivism theories. Recently, China has become a key political, military, and economic powerhouse worldwide (Boylan et al., 2021; Lukin, 2021). It is necessary to consider recent developments that affect global clustering. The key groupings that should be revised include NATO, the OECD, G20, and G7. The analysis should be based on the member country’s ability to justify its union membership. Key factors that should be assessed include cooperation patterns, influence, and roles. Some key factors to be considered when developing new alliances include historical ties, shared challenges, cultural affinities, and geopolitical circumstances (Javed & Baloch, 2023; Hajimineh et al., 2020). The exercise should utilize statistical findings from multiple sources. It should cover official publications, academic research, and organizational findings. The reclustering process should follow the findings of empirical evidence from research and non-official grey publications. The following clusters consider the evidence of collaboration and mutual interests based on shared history, proximity, geopolitical power, and national trajectory.

<table>
<thead>
<tr>
<th>Global Region</th>
<th>Nations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Alliance</td>
<td>Germany, France, United Kingdom, Italy, Spain, United States, Canada</td>
</tr>
<tr>
<td>Eastern Europe</td>
<td>Russia, Poland, Ukraine, Hungary, Romania, Serbia</td>
</tr>
<tr>
<td>Latin America</td>
<td>Brazil, Argentina, Mexico, Colombia, Panama</td>
</tr>
<tr>
<td>Asian Alliance</td>
<td>China, Japan, South Korea, India, Pakistan, Bangladesh</td>
</tr>
<tr>
<td>African Alliance</td>
<td>Nigeria, South Africa, Kenya, Tanzania, Ghana, Angola</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th>Economic Parity</th>
<th>Nations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Established Economic Power</td>
<td>United States, China, European Union, Indonesia, Australia, S. Korea</td>
</tr>
<tr>
<td>Emerging Economic Power</td>
<td>India, Brazil, Russia, South Africa, Egypt</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th>Military Power</th>
<th>Nations</th>
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</thead>
</table>
Global Military | United States, Russia, China
Regional Military | India, Turkey, Iran, Saudi Arabia, Ethiopia, Algeria

Table 1: Proposed Clusters

3.4 Age of Evidence in Research
An accurate international benchmarking methodology depends on multiple factors that explain changes in the context of historical, current, and anticipated events. The literature evidence is limited to sources published after 2019. As such, the age of evidence is limited to five years. It ensures relevance to prevailing international dynamics, accommodates changing global risks, and facilitates an examination of the impact of various international policies. For example, studies older than 2019 will not address COVID-19, one of the most devastating pandemics of the past several decades. Up-to-date studies will contextualize recent developments such as Brexit (Seifi & Maftooh, 2019). An excellent way to make provision for these nuances is by considering the timeframes that govern international relations (Zolfaghari, 2020). While up-to-date information on the relationships between different countries is useful, it is rarely accurate over the long-term (Strielkowski et al., 2021). A common trend associated with global relationships is the formation of alliances that follow the newest government’s foreign policies. For example, the Obama era entailed hostile relations with Russia and North Korea. The Trump era reversed the relations by drawing Washington closer to Russia and North Korea while increasing tension with Beijing (Neves, 2020). The most resilient global relations methodologies should be cognisant of such regime changes.

3.5 Considerations/Perspectives in Benchmarking
International benchmarking entails various considerations which should be addressed in the framework. The weaknesses can potentially compromise the credibility and robustness of the methodology (Alhammadi & Alayed, 2022). Specific challenges plague international relations research (Saeid Abadi & Mohammadpour, 2020). It is difficult to navigate international interests and interactions. Scholars and think tanks frequently make the wrong inferences when assessing and predicting global relations (Dehqani Firoozabadi, 2020). These errors are often translated into peer-reviewed research papers. Another significant risk is that geopolitical analysis often exposes competition and disparities between countries. The publication of such uncomfortable findings can disrupt international peace. A global benchmarking methodology will require access to sensitive information (Ali El Dahshan, 2020). It may contain politically charged ideas that can potentially trigger conflicts. It is necessary to weigh the pros and cons of using certain records to preserve peaceful relations between nations.

3.6 Practical Steps for Ethical Consideration
The following practical steps will help in navigating political bias in government publications and developing a framework for handling sensitive information in the context of international benchmarking.

3.6.1 Diversify Information Sources
Consulting a range of sources, including independent research institutions, international organizations, and reputable non-governmental organizations will help mitigate political bias. As such, the methodology includes establishing a comprehensive list of sources and databases providing a balanced perspective on the issue. It will not over-rely on government publications alone to enhance varied perspectives.

3.6.2 Cross-Verification of Information
Only data that has backing from multiple sources will be considered high-quality and valid. Such an approach will optimize the quality of proposed benchmarks to enhance reliability (Ossiannilsson & Landgren, 2011). As such, a thorough review of information, comparing data from government publications with findings from academic research, independent think tanks, and international agencies will help identify any discrepancies, which will lead to further investigations. Moreover, engaging subject matter experts and professionals will improve the quality of information used.

3.6.3 Transparency in Methodology
Clear articulation of the methodology used in the benchmarking process by documenting the criteria for selecting and evaluating information sources, and making this information accessible to stakeholders, will enhance transparency thereby building trust in the benchmarking process.

3.6.4 Stakeholder Engagement and Feedback Mechanisms
Fostering inclusivity and openness to diverse perspectives through active stakeholder engagement and allowing for feedback will enhance ethical and moral approaches to navigating political bias in government publications. Besides, regular ethics audits and secured data handling protocols will enhance ethics and minimize unintended backlash from political forces. Such an approach
will ensure the benchmarking remains comprehensive and reliable, making it easier for the GCCs to use them to improve their political and economic prowess.

4. Outcome and Utilization
4.1 Benchmarking Report
Once the benchmark is fully established, it is crucial to compile a comprehensive benchmarking report that integrates best practices in knowledge management and stakeholder engagement. Such a report will use evidence-based literature. It will also ensure the benchmark constantly follows inputs from several stakeholders, like the international relations consultants and policymakers, incorporating Wagner’s (2008) stakeholder engagement insights. This approach will allow for the benchmark to remain consistent and flexible to adapt to the changing international relationship environments in the GCC and the G20 countries through continuous monitoring.

5. Conclusion
Developing a comprehensive international benchmarking methodology requires the use of data-driven research findings. Such information can be sourced from academic articles and grey literature publications from government agencies, international organizations, companies, research institutions, and think tanks. Using empirical sources with provable credibility increases the likelihood of developing a robust benchmark. The benchmark should use realism theory to analyze the power dynamics, while liberalism theory helps in analyzing cooperation and economic interdependence. Understanding economic parity involves analysis of the key economic indicators and economic collaboration patterns in the GCC and the G20 countries by leveraging competitive intelligence principles to gain insights into the strategies, strengths, and interactions among member countries. The standard should assess the current status of international alliances based on economics, geopolitics, and shared history. It should be used to recommend new international clusters that offer more insight into the dynamic nature of modern global interactions.

Developing a benchmarking methodology is a sensitive undertaking that should consider ethical and global peace implications. The framework should address geopolitical nuances, cultural perspectives, and the need to foster peaceful interactions. However, the sensitive political environment requires formulation of the benchmark with substantial ethical considerations. The practical steps for such ethical considerations include diversified information sources, methodological transparency, stakeholder engagement, and feedback mechanisms. To optimize validity and reliability, the benchmark must have a publicly available report that is constantly updated to reflect the changes in economic and political environments pertaining to international relationships in the GCC and the G20 countries.

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