Benchmarking in Social Sphere of Kazakhstan

Elmira Karimgozhina

Karaganda Economic University of Kazpotrebsoyuz

Abstract: The article discusses a new for Kazakhstan promotion method of benchmarking in the social sphere. During the research, studied scientific works of economists and practitioners relating to the content of marketing research, as well as the highest priority trends of marketing research are grouped and presented in this article. There is examined the main types of benchmarking, demonstrated its peculiarities in the social sphere and some examples of using this technology in the social sector.

Key words: Social services - Benchmarking - Market research - Social sphere

INTRODUCTION

Basis of the formation of strategic development policy of the national economy, its industries and activities should be a marketing study, that will protect from the devastating mistakes and actions in the future. Research that scientific works of economists and practitioners shows that, in the literature a variety of concepts related to the content of marketing research. So, F. Kotler defines marketing research as "the systematic identification of the data circle required in connection with the marketing situation facing the firm, collection, analysis and report the results" and gives a scheme of marketing research as a sequence of five steps: identification of problems and the formation of research purposes - the selection of information sources, data collection, analysis of the collected information - presentation of the results [1]. By definition of E.P. Peshkova marketing research is a "systematic collection, processing and analysis of all aspects of the marketing process:... the market, distribution channels, methods and techniques of marketing, pricing, sales incentives, etc" [2].

MATERIALS AND METHODS

In our view, the key areas of marketing research should be highlighted: market research, marketing research, research motives, research capacity, marketing intelligence, social studies, study best practices of production and ways to improve the productivity of the enterprises of its partners and competitors, including related industry (Benchmarking), etc. The most priority trends of marketing research are grouped and presented in Figure 1:

Main Part: The main goal of marketing research is to develop a concept for a common understanding of the structure and the laws of the market dynamics and justify the need and possibilities of a particular firm or organization to better adapt its production, technology and structure, as well as output to market products or services to the demand and needs of the end user.

In summary of above mentioned, it should be noted that in today's economy are becoming popular research related to the implementation of the principles, methods, tools and philosophy of benchmarking.

The term "benchmarking" is the English word and it hasn’t unique translation into Russian. This term is derived from the word "benchmark", which means a mark
on a fixed object, such as a mark on the pole, indicating the height above sea level. In the most general sense benchmark - is something that has a certain amount, quality and ability to be used as a standard or benchmark when compared to other subjects. In economics, this concept is the process of identifying, understanding and adapting existing examples of the effective functioning of organizations to improve their own work [3].

Benchmarking method was developed in 1972 to assess the effectiveness of the Institute of Strategic Business Planning in Cambridge. First benchmarking instruments have been used in practice by Xerox at the time of severe crisis in 1979 to analyze the cost and quality of their own products as compared to the Japanese manufacturers.

Benchmarking equally involves two processes: evaluation and comparison. Usually take a sample of the "best" products and marketing process used direct competitors and organizations working in similar areas to identify possible ways to improve the organization of its own products and the methods of work [4]. Benchmarking can be regarded as one of the areas strategically oriented marketing research. Benchmarking motto is: "From the best to the best".

Benchmarking is a measurement of the quality policy, product, programs and strategies of the organization and their comparison with standard measurements, or similar measurements of its allies.

**Purpose of Benchmarking:**

- To determine, how and where the improvement
- To analyze, how other organizations achieve high levels of performance
- Use this information to increase of productivity [5].

Benchmarking - (eng. bench mark - origin) - a method of using someone else's experience, the advanced achievements of the best companies, divisions of its own company, individual professionals to improve efficiency, production, improvement of business processes. This approach is based on the analysis of results and uses them in their activities. The following types of benchmarking defines: competitive - a comparison of their products, business processes, with analogues of direct competitors; functional - to compare the efficacy of certain functions (eg, logistics, personnel management) of companies of the same industry, not necessarily direct competitors; common - the analysis and the perception of excellence of companies operating in other sector; internal - to compare the effectiveness of different parts of the organization and perception, the introduction of the best methods of work and business processes [6].

It should be noted that the issues discussed in the benchmarking literature mainly applied to technical and technological, organizational and economic innovation in manufacturing industries. In relation to the management of social sphere considered direction developed woefully inadequate, not formed appropriate terminology not applied techniques for using benchmarking to promote innovation in this sphere, etc. In this regard, in the format of this work we have tried to show the possibility of using this marketing technology as an example of the social sphere of the Republic of Kazakhstan.

Benchmarking of social sectors branch should be seen as a tool used to define the parameters of the processes, costs, indicators of functioning and their comparison with the same parameters of another state in order to identify "best practices and best value" with continuous improvement. As a result, a comparative performance evaluation of the test and the reference system it is possible to check the correct functioning of the first system.

For the purposes of social sphere benchmarking can be used for evaluation of quantitative and cost indicators of services providing by social sector’s branch with regard to their technological level, the quality of administration and the purchasing power parity of national currencies.

Benchmarking is realized for interstate cooperation in the social sphere, including the participation in regional integration, such as the CIS, EurAsEC, SCO, as well as on the basis of bilateral strategic partnership. Cooperation in the field of benchmarking is beneficial for all parties, since this technique allows optimal solve similar problems in different countries. Thus, the most effective methods of benchmarking implemented with international comparisons of sectoral indicators.

In relation to the social complex, we must distinguish between external and internal benchmarking:

- **External benchmarking** - the comparison of the organization with other institutions in this segment of the social sphere in order to find the best solutions [7].
- **Internal benchmarking** - comparisons within the organization or its subsidiaries. When conducting internal benchmarking organization finds necessary reference processes within their organizational boundaries, for example, extends the successful experience of one of the structural units [7].
Fig. 2: Main stages of benchmarking in the social sphere

Depending on the purpose, benchmarking is of two kinds - the strategic or operational. In the first case, refers to the process used to determine the world standards and the promotion of innovation, based on the achievements of world-class and in the second, we are talking about the study of a particular process to find ways to improve it [8].

When any kind of benchmarking is important to follow a logical sequence of its stages, which begins with the formulation of the problem to be solved with the help of this technology and completed the implementation of the results obtained (Fig. 2).

It's necessary, bear in mind, that benchmarking in managing the social sphere is a relatively new direction, which serves to evaluate alternative management options, develop strategies and improve governance on the basis of promotion approaches have been successfully implemented in other industries, regions, municipalities, etc. The main objective in this case is to introduce the persons responsible for making decisions with the best practices by identifying examples of good, well-developed and effective implementation of social policy at a given level of control [9].

The analysis shows that in the social sphere of Kazakhstan a lot of attention is paid to the study of certain issues or promote "best practices", while the term "benchmarking" is still little used owing to the novelty of this technique. There are a few examples that illustrate the application of approaches that can be considered as benchmarking in the social sphere of the country. So, in order to implement the orders of the President of the Republic of Kazakhstan Nursultan Nazarbayev, given in January 27, 2012 in the message to the people "Socio-economic modernization - main direction of development of Kazakhstan" was adopted Government Decision on the approval of the program "Affordable Housing - 2020" (21.06. 2012 number 821).

Target installation program aimed at a comprehensive solution to the problems of a housing development, allowing further enhance the affordability of housing for the population. Achieving this goal will be possible in the conditions of high-grade balanced housing market, attracting private investment in housing, promote public-private partnerships, development of engineering infrastructure areas of housing development, individual housing construction, the domestic construction industry to address the issue of demolition of dilapidated housing, construction support housing non-profit citizens' associations, building societies and individual developers.

Similarly to the Kazakh program providing house for the population, in Russia has adopted the State Program "Providing affordable and comfortable housing and communal services of citizens of the Russian Federation". In contrast to the national program, target setting of Russian strategic document assume along with increased availability of housing and quality of housing for the population, the performance of state obligations to provide housing for certain categories of citizens. The objectives of this program are associated with involvement in the turnover of land for the construction of housing economy, creation of conditions for active participation in housing construction housing nonprofit citizens' associations and individual developers, promoting the introduction of new modern, energy-efficient and resource-saving technologies in housing and construction materials, used in housing construction, the development of mechanisms for lending for housing construction and municipal infrastructure. Its priorities are aimed to increase the availability of mortgage loans for the population, efficiency, quality and reliability of supply of communal resources, including by attracting long-term private investment, the formation of the rental market and the development of non-profit housing for people with low income level, moving people out of the housing fund, promote the rational use of communal services in the population, provision of potable water that meets the requirements of safety and harmlessness, established sanitary and epidemiological rules, etc.

A comparative analysis of the goals and objectives of the two programs, it becomes apparent that the Russian program was initially clearly defined obligations assumed
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Kazakhstan</td>
<td>6050,0 thou. sq. met.</td>
<td>6600,0 thou. sq. met.</td>
<td>6900,0 thou. sq. met.</td>
<td>7200,0 thou. sq. met.</td>
<td>7600,0 thou. sq. met.</td>
<td>7700,0 thou. sq. met.</td>
<td>8000,0 thou. sq. met.</td>
<td>9000,0 thou. sq. met.</td>
<td>10000,0 thou. sq. met.</td>
</tr>
<tr>
<td>Russia</td>
<td>-</td>
<td>71 млрд кв. метров</td>
<td>79 млрд кв. метров</td>
<td>92 млрд кв. метров</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 2:

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Born in KZ</td>
<td>278 977</td>
<td>301 756</td>
<td>321 963</td>
<td>356 575</td>
<td>357 552</td>
<td>367 752</td>
<td>372 544</td>
<td>-</td>
</tr>
<tr>
<td>Per 1000 people in KZ</td>
<td>18,4</td>
<td>19,7</td>
<td>20,8</td>
<td>22,8</td>
<td>22,0</td>
<td>22,5</td>
<td>22,5</td>
<td>-</td>
</tr>
<tr>
<td>Born in RF</td>
<td>145 737 6</td>
<td>147 963 7</td>
<td>161 012 2</td>
<td>171 394 7</td>
<td>176 168 7</td>
<td>178 894 8</td>
<td>179 662 9</td>
<td>190 084 1</td>
</tr>
<tr>
<td>Per 1000 people in RF</td>
<td>10,2</td>
<td>10,3</td>
<td>11,2</td>
<td>12,0</td>
<td>12,3</td>
<td>12,5</td>
<td>12,6</td>
<td>13,3</td>
</tr>
</tbody>
</table>

Table 3:

<table>
<thead>
<tr>
<th>Kazakhstan</th>
<th>Russia</th>
<th>Belarus</th>
<th>Ukraine</th>
<th>Singapore</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$340</td>
<td>$3000</td>
<td>$1000</td>
<td>$3500</td>
</tr>
</tbody>
</table>

It is clear that each state tries in various ways to stimulate fertility process, including financial aid. But the question is how effective it will be in Kazakhstan realities? This gives an indication of the experience of other countries. For example, the Russian state support mechanism appeared not so long ago. Maternal capital issued to families in which there was a second and subsequent children. By law, you can spend only maternity capital to improve housing conditions, education of the child or the formation of the funded part of the pension to the mother. And money is not given to your hands - it is a certificate from which the funds are transferred to the needs specified in the law. Since the inception of the law on its owner maternity capital were about 3 million Russians. When this "boom" of obtaining the certificates became evident in 2009, when the appropriate statements addressed 940 thousand 290 mothers.

Validity of the law expires in December 31, 2016. According to the Minister of Labour and Social Protection of Russia Maxim Topilina, the government proposes to extend the maternity capital program to 2025 - head of the information department unveiled during the conference "Russian People's Front". The government proposes to allow to spend maternity capital to create a family business and commercial tenancy.

According to the Pension Fund of Russia, as of November 1, 2013, state certificates for maternity capital received more than 4.6 million people. In the six years since the program began fertility in Russia increased by 28.5 %, according to the Ministry of Labor.

Adequate level of state guaranteed at birth plays a crucial role in improving fertility. Existing mechanisms to support families in Kazakhstan at birth does not correspond to higher costs when it appears. In our
country, one-time state grant to the 1st, 2nd and 3rd child begins with 30 MI, monthly index is 1731 tenge, that is $340. For 4th child - 50 MI or 580 dollars.

At the same time, in Singapore in 2013 a lump sum was 4900 dollars, in Belarus the rate varies from 1,000 to 1,500 dollars in neighboring Russia begins benefit amount of three thousand dollars and in Ukraine - $ 3,500 for the first child.

If you look at the data population of the country for the past 23 years, figures virtually unchanged, rising only 4.2 percent. Compared with Kazakhstan, Uzbekistan, in the same population during the same period increased by 46 percent and in Kyrgyzstan - 30 percent.

The demographic situation is exacerbated relatively high infant mortality: 19 deaths per 1,000 births. In developed countries, this figure is less than 4.5 deaths per 1,000 births. Anxiety also causes a large number of abortions. Annually in the country it is produced in 95-100 thousand. Also increases the number of divorces and children born out of wedlock. This indicates that most of the women have to raise children alone.

A comparative analysis of state support of the two states becomes obvious that the Russian program was initially clearly defined obligations assumed by the State in terms of ensuring young families, detailed conditions for obtaining and distributing money, allowing artists to focus more clearly the strategic document. This approach, in our view, significantly increases the effectiveness of the program. We want to note that, benchmarking of this program by virtue of Kazakhstan.

**CONCLUSION**

Thus, benchmarking in the management of social sphere of Kazakhstan used often enough, but this process often occurs at the level of common sense. Operating in industry technology benchmarking received the widest distribution in the world, yet not actively used in the social sector. Virtually impossible to detect specific examples of projects aimed at promoting innovation on the basis of proven principles of benchmarking.

Recommendation. Last but not least it is because of methodological developments in relation to the specifics of the social sphere is still not enough, the problem needs further scientific analysis. As a practical proposals should be put forward the recommendation to establish in each subject of the state "centers of excellence" that would be engaged in search and dissemination of information about the organizational, economic and managerial innovations in the social complex in the territory as well as across the country.

**REFERENCES**

5. www.businessdictionary.com/definition/benchmarking.html#ixzz2n4t90Gx0