

The Concept and Essence, Analysis and Standards of Good and Best Practices¹

Pojęcie i istota, analizy i standardy dobrych i najlepszych praktyk

Streszczenie. W niniejszym opracowaniu ujęto rozważania teoretyczne dotyczące istoty, koncepcji, definicji oraz analizy i pomiaru najlepszych praktyk w marketingu. Mogą one stanowić podstawy do określenia wyboru zarówno dobrych, jak i najlepszych praktyk w przestrzeni biznesowej. Ponadto zaprezentowano problematykę najlepszych praktyk oraz standardów typu „dobre praktyki” – zgodnie z kanonem i opracowaniem Giełdy Papierów Wartościowych w Warszawie.

Słowa kluczowe: dobre praktyki, najlepsze praktyki, standardy najlepszych praktyk, analiza najlepszych praktyk.

1. Introduction

One may wonder if there is an integration of science with business, or is the acceleration in science itself an interdisciplinary approach? Does science determine business development or vice versa? The science dealing with the generalization

* PhD, The University of Łódź, Faculty of Management.

1 The chapter is an abridged version of a chapter from the monograph: G. Golik-Górecka (ed.), *Mariaż nauki z praktyką. Najlepsze praktyki zarządzania marketingowego w polskich i międzynarodowych przedsiębiorstwach. Studia przypadków*, Akademia Zarządzania i Finansów, Wydawnictwo Uniwersytetu Łódzkiego, Łódź 2020, pp. 13–26.

of conclusions resulting from research practices is becoming a source of valuable knowledge. Hence, marketing is undoubtedly a science. Practical business solutions and technologies that also lead to the acquisition of new knowledge in the area of marketing and its rapid development and to the development of science, which is also confirmed by analytical marketing and the new marketing indicators used. In fact, these two spheres, science and business are actually overlapping. They coexist in parallel and technologies determine the development of marketing, various new types of relationships and interactions.

The Polish Scientific Society of Marketing presented the Code of the Scientific Environment of Marketing, in which they define marketing as science:

Marketing is an important area of social sciences. It has a wide, interdisciplinary subject of research on social exchange processes, including: consumer behavior and market activity of enterprises and other organizations. They have developed paradigms and concepts for describing the processes and phenomena of market orientation and the motivation of exchange participants. They use the latest methods of conducting research, specifying general methods of conduct formulated in the theory of economics and management sciences, have well-established achievements, integrating knowledge from various disciplines and fields of science.²

2. Concept, definitions and standards of best practice

The conducted literature review indicates the diversity of definitions of the concepts of good and best practices.

2.1. Good practice concepts

The concepts of good practice should be cited as good practice is a process or methodology that is ethical, honest and replicable, has been shown to work well, achieves the goal and therefore can be recommended as a model for practice. The essence of recognizing and sharing good practices is learning from others and encouraging the application of knowledge and experience to new situations.

It should be cited after M. Bednarek that good practices define activities that bring specific and positive results and contain a certain potential for innovation. They

² The code of the scientific marketing community was adopted by a resolution of the Board of the Polish Scientific Marketing Society on 21 December 2019, <http://pntm.pl/kodeks/> (accessed: 8.01.2020).

are durable and repeatable and can be used in similar conditions elsewhere or by other entities.³ Currently, each country introduces sets of good practices in various areas of social, political and economic life. They are collected by corporations and international organizations, but also public administration institutions, insurance and financial companies, banks and non-governmental organizations. The definitions of good practice differ from country to country. They depend on the applicable law, economic situation, cultural norms and experiences.⁴

A good practice is an action that brings concrete, positive results, contains a certain potential for innovation, is durable and repeatable, can be used in similar conditions elsewhere or by other entities.⁵

We can find the following criteria for selecting good practices:⁶

- **effectiveness** – achievement of assumptions, implementation of plans, implementation of the organization's mission, linking plans and goals, contributing to further development, recognizing the environment through research, talking to project recipients and gathering information about the real needs of people;
- **planning** – analysis of the situation and conditions, development of an action strategy and preparation of an operational action plan;
- **innovation** – novelty level of the proposed practice;
- **efficiency** – qualitative and quantitative analysis and analysis of the use of material resources, i.e. finance, technology and infrastructure, and non-material resources, mainly human and social capital;
- **reflectivity** – existence of evaluation tools and their use, assessment of the objectivity of tools, use of evaluation results to improve activities;
- **universality** – adapting already completed projects to new or similar conditions and contexts or using only as a source of inspiration;
- **ethicity** – compliance of the proposed action with the law, compliance with moral standards adopted in a given society, industry or area of operation, good image of the organization;
- **entrepreneurship** – usefulness for the implementation of the mission, having “business acumen”, financial independence, operating in a niche market, economic rationality, recognizing the group of beneficiaries and customers;

3 M. Bednarek, *Doskonalenie systemów zarządzania: nowa droga do przedsiębiorstwa lean*, Difin, Warszawa 2007.

4 J. Osiadacz, *Innowacje w sektorze usług – przewodnik po systematyce oraz przykłady dobrych praktyk*, Polska Agencja Rozwoju Przedsiębiorczości, Warszawa 2012.

5 J. Nowakowska, *Czym jest dobra praktyka? Zasady i kryteria identyfikacji – Leaderatorium*, <http://cdr112.e-kei.pl/leader/index.php/200-czym-jest-dobra-praktyka-zasady-i-kryteria-identyfikacji> (accessed: 6.11.2019).

6 A. Karwińska, D. Wiktor, *Przedsiębiorczość i korzyści społeczne: identyfikacja dobrych praktyk*, “Ekonomia Społeczna Teksty” 2008, no. 6.

- **realizing social benefits** – creating jobs, the level of impact of the project on the independence of the beneficiaries, adequacy of the practice in relation to the needs, provision of good quality services.

It is also worth citing a description of good practices, which should contain information about:⁷

- organization implementing the project – data on the number of members, skills, short information about activity and other information relevant to the potential recipient;
- the context of the project – brief description of the town, key problems, goals implemented in the project, its originator, the method of creating the project plan and other substantive information;
- the main activity of the project – project activities that led to the achievement of the goal and expected results;
- specific products and results – specific effects expressed in measurement units;
- added value of the project – additional value to the value generated;
- encountered problems and lessons learned;
- project duration – practical information allowing to determine the working time;
- budget – financial resources, sources of financing;
- justification – why the project is an example of good practice.

2.2. Best practice definitions

Best practice is what can be achieved by applying good practice at the highest possible level: this is the end goal of the project. A best practice is a set of guidelines, ethical principles, or ideas that represent the most effective or prudent course of action in a given business situation. Best practices can be established by authorities such as regulators or management bodies, or they can be established internally by the company's management team. Best practices can provide a benchmark where one company can set a benchmark for other companies.

According to D.P. Doyle the best practice is “a procedure demonstrated by research and experience to obtain optimal results that has been established or proposed as a standard suitable for general acceptance”.⁸ An accessible definition of the essence of good practice is one that best practice is a method or technique that is generally considered better than any alternatives because it produces better

7 H. Szczepilewska, *Formularz zgłoszenia Dobrych Praktyk*, [in:] *Złota księga dobrych praktyk*, 2016, s. l.

8 D.P. Doyle, *The Role of Private Sector Management in Public Education*, “Phi Delta Kappan” 1994, vol. 76, no. 2.

results than other methods or because it has become a standard way of doing things, e.g. how they comply with legal or ethical requirements.⁹

According to M. Rouse, the best practice is a technique or methodology that has proven through experience and research that it reliably leads to the desired result. A commitment to use best practice in any field is a commitment to use all the knowledge and technology currently at your disposal to ensure success.¹⁰ The best practice tends to spread in a given field or industry after it is found to be successful. It is also noted that the best practices shown may slowly spread, not only outside but even within the organization, within its individual structures. According to the American Productivity & Quality Center, the three main barriers to the application of best practice are the lack of knowledge of current best practices, the lack of motivation to make changes in their implementation, and the lack of knowledge and skills required skills.¹¹

While researching this topic, you can come across the statement that some consulting companies specialize in the field of best practices and offer ready-made templates to standardize the documentation of business processes. Sometimes the best practice is not applicable or not appropriate to the needs of a particular organization. The study focuses on the industry approach. Almost every industry and professional discipline has developed the best practices. The areas of these practices that are notable include information technology development (such as new software), digital best practice, construction, transportation, business management, sustainable development, and various aspects of project management. In software development, best practice is a well-defined method that contributes to a successful product development stage. Best practices also exist in health care to ensure quality care. Best practices are applied in business areas, including in sales, production, science, computer programming, housing and road construction, health care, insurance, telecommunications and public policy.¹²

A best practice is a set of guidelines, ethics or ideas that represent the most effective or prudent course of action in a given business situation. Best practices are often determined by a body such as a management body or management, depending on the circumstances. While best practices usually dictate a recommended course of action, some situations call for adherence to industry best practice.¹³

9 That Company, *What are Best Practices and Why are They Important?*, <https://www.thatcompany.com/what-are-best-practices-and-why-are-they-important> (accessed: 12.09.2019).

10 M. Rouse, *Best Practice*, Whatls.com, February 2007, 7, <https://searchsoftwarequality.techtarget.com/definition/best-practice> (accessed: 10.11.2019).

11 *Ibidem*.

12 *Ibidem*.

13 W. Kenton, *Best Practices*, Investopedia, https://www.investopedia.com/terms/b/best_practices.asp (accessed: 10.09.2019).

Best practices serve as a general framework for dealing with different situations.¹⁴

Best practices are important for processes that need to function properly. They are simply the best way to carry out an action and have been developed by trial and error and are considered to be the most sensible course of action. Best practices may evolve as new and better solutions appear, or as awareness changes and new technologies develop.

R. Kanigel states that the concept of good practices is already derived from Taylor's idea because he used the term "the one best way".¹⁵ Since there are the concepts of good and best practice, the best practice concept should actually be explained here. The conducted literature review presents a diverse range of defining both good and best practices. The author also notes that the definition emphasizes the identification of such practices that may lead to the desired innovations. Good practice therefore defines an action that has brought concrete, positive results, contains an element of innovation, is durable and repeatable, and can be used in similar conditions elsewhere or by other entities. In practice, model quality models are considered to be best practices, e.g. the European Foundation of Quality Management – Quality Model (EFQM).¹⁶

2.3. Concepts of analysis and measurement of best marketing practices

Concepts and defining the measurement of the best practices are very important for many companies and good practices from the point of view of their marketing activities. The literature proposes to measure best marketing practices using related measures with the general economic condition and market position of the enterprise. These are the following criteria (including measures in parentheses):¹⁷

- Market position – level and dynamics of market share, level and dynamics of sales within 3–5 years;
- Economic condition – level and dynamics of net profit in 3–5 years, level and dynamics of sales profitability in 3–5 years;

14 *Ibidem*.

15 R. Kanigel, *The one best way: Frederick Winslow Taylor and the Enigma of Efficiency*, Penguin Books, New York 1997, [after:] R. Brajer-Marczak, *Dobre praktyki w doskonaleniu procesów biznesowych*, <http://yadda.icm.edu.pl/baztech/element/bwmeta1.element.baztech-2ecbc83d-5711-4d06-ba68-fe8a01bf8db6>, p. 16 (accessed: 8.10.2019).

16 *Ibidem*, p. 17.

17 K. Rupik, *Najlepsze praktyki zarządzania w sektorze odzieżowym w kontekście współczesnych wymogów zarządzania*, [in:] T. Żabińska, L. Żabiński (eds), *Zarządzanie marketingowe. Koncepcje marketingu a praktyki zarządzania. Aspekty teoretyczne i badawcze*, Akademia Ekonomiczna w Katowicach, Katowice 2007, p. 160.

- Goodwill – market value of the company understood as the number of shares in circulation multiplied by their price within 3–5 years.

The use of measures relating to both direct marketing activities and the general condition of the enterprise is confirmed, inter alia, by examples of best practices in brand management.¹⁸ A complementary set of measures compared to the above ones is proposed to evaluate the effects of introducing new solutions and most often use the following measures:

- market share/market share in a given segment;
- weighted distribution ratios;
- brand awareness;
- brand image;
- the rate of return on capital employed (ROI) in relation to investments in marketing communications.

The measurement of marketing effects should focus on three main categories: strategy, marketing, and marketing links with basic operating activities. The components of measuring the results of the company's activity were also indicated, i.e. resources, processes, products or services and finances.¹⁹

The aim of a good practice is usually to achieve the required standard, high, decent, sometimes only minimal, or to guarantee the achievement of certain results, e.g. qualitative. It is a kind of entry ticket to the game in a specific business. In addition, good practice is the concept of achieving a minimum satisfactory standard in a construction project, which will have the following advantages: acceptable aesthetics, solid construction resulting from the use of appropriate materials and safety.²⁰ The improvement of the current best practice may become the work of the competition that will adopt the model assumptions and solutions of the current best practice, but by modifying them, it will create a solution that surpasses the original. It is systematic benchmarking with an integrated continuous improvement process that is the best source and tool for searching for best practices.

According to A. Sierszeń, the best practices are “a set of recommendations (best practices) which, based on the experience of other people, companies, indicate the most appropriate way of proceeding, achieving a specific goal”.²¹ The time it takes to achieve your goal using best practices is much shorter than it would take to

18 H. Meffert, Ch. Burmann, M. Koers (eds), *Markenmanagement. Mit Best Practice – Fallstudien*, Gabler, Wiesbaden 2002, pp. 475–670.

19 D. Woodburn, *Engaging Marketing in Performance Measurement*, “Measuring Business Excellence” 2004, vol. 8, no. 4.

20 K. Rutkowski, *Zrozumieć fenomen najlepszych praktyk w logistyce i zarządzaniu łańcuchem dostaw*, “Gospodarka Materiałowa i Logistyka” 2006, no. 12, pp. 2–4.

21 A. Sierszeń, *Standardy typu “best practice”*, <https://docplayer.pl/1654543-Standardy-typu-best-practice-artur-sierszen-asiersz-kis-p-lodz-pl-http-bzyczek-kis-p-lodz-pl.html> (accessed: 28.09.2019).

develop your own techniques. The process of formulating and implementing best practices is a multi-stage process:

- golden thought – not yet supported by data, but intuitively seems good, requires further analysis;
- good practice – has already been implemented and proven to be correct, supported by data collected in one use case;
- local best practice – identified as the best approach for certain departments of the organization, based on data from process performance analysis;
- industrial best practice – this is the best approach for the entire organization, based on benchmarking data inside and outside the organization.²²

A team of researchers from Harvard Business School, Cambridge University, McKinsey & Company and Stanford University developed an interview-based assessment tool that defined 18 core practices of managers and assigned them a score of 1–5 – best practice. The research covered 10 thousand medium-sized companies (employing 100–10 thousand employees) from 20 countries identifying best practices. The management data was compared with the available financial statements, and this allowed for a better identification of the management practices that led to success. On the other hand, certain three key elements of good management are: rigorous monitoring, ambitious short- and long-term goals at each stage of the processes implemented in them, as well as rewarding and motivating the best employees.²³

A. Zawistowski covers problems, including those related to benchmarking and innovation, as well as constructing measures of effectiveness of activities.²⁴ He states that the best practices are not the same with innovation. For best practice is an effective standard, and in turn, innovation determines the company's competitive advantage in the market. Innovation usually means uniqueness and aims to encourage customers and partners to cooperate. However, it does not occur without the best practices that are the foundation of every business.

As the author further states, the unit for measuring effectiveness is KPI (Key Performance Indicator), which measures the effectiveness of actions taken, and not the degree of plan implementation. That it is therefore important to be aware of the need to measure not only the final results, but also the factors that influence them, the so-called drivers, e.g. not only the level of customer satisfaction is measured, but most of all, what factors affect it. And when ending the measurement, the company is only at the beginning of the process of implementing best practices, because as in the case of benchmarking, the result should be related to the level

²² *Ibidem*.

²³ R. Sadun, *Mała czarna zarządzania: niezbędne praktyki liderów*, <https://www.hbrp.pl/b/mala-czarna-zarzadzania-niezbedne-praktyki-liderow/ICYJaYxW> (accessed: 12.10.2019).

²⁴ A. Zawistowski, *Dobre praktyki a innowacyjność*, <https://www.log24.pl/artykuly/dobre-praktyki-a-innowacyjnos> (accessed: 16.10.2019).

we want to achieve by launching corrective actions in places where we found weak points in the process.²⁵ It can be a process of the company's growth or development strategy. You should analyze how the process is carried out – especially for the leader that is at a competitor. Then learn about the metrics that competitors use to measure process efficiency and the performance of the best. Hence, the processes are divided into standard ones – those that we want to carry out in an optimal and effective way compared to the leaders, and the key ones that create the company's competitive advantage.

After implementing best practice in standard processes, we regularly measure its effectiveness and from time to time verify whether it is the best. However, the priority for the company most often becomes to achieve a leadership position in the second, key processes by taking the next step in the best practices, i.e. extending the process beyond the standard, which means creating a new best practice, access to which the company should protect as long as possible.²⁶

3. Conclusion

This chapter, using a review of the literature on the subject, supplements the knowledge in selected areas of marketing – especially in the area explaining the concept, definitions and analysis and measurement of best practices. The creation of standards considered by the Warsaw Stock Exchange is also presented. These considerations can provide context and support for the development and analysis of case studies of companies implementing the idea of best practices. In addition, they allow specifically to analyze in a more comprehensive way the problems of synergy and analytical marketing, as well as the implementation of best practices in companies.

References

- Bednarek M., *Doskonalenie systemów zarządzania: nowa droga do przedsiębiorstwa lean*, Difin, Warszawa 2007.
- Brajer-Marczak R., *Dobre praktyki w doskonaleniu procesów biznesowych*, <http://yadda.icm.edu.pl/baztech/element/bwmeta1.element.baztech-2ecbc83d-5711-4d06-ba68-fe8a01bf8db6> (accessed: 8.10.2019).

²⁵ *Ibidem*.

²⁶ *Ibidem*.

- Doyle D.P., *The Role of Private Sector Management in Public Education*, "Phi Delta Kappan" 1994, vol. 76, no. 2.
- Kanigel R., *The one best way: Frederick Winslow Taylor and the Enigma of Efficiency*, Penguin Books, New York 1997.
- Karwińska A., Wiktor D., *Przedsiębiorczość i korzyści społeczne: identyfikacja dobrych praktyk*, "Ekonomia Społeczna Teksty" 2008, no. 6.
- Kenton W., *Best Practices*, Investopedia, https://www.investopedia.com/terms/b/best_practices.asp (accessed: 10.09.2019).
- Kodeks środowiska naukowego marketingu*, <http://pntm.pl/kodeks/> (accessed: 8.01.2020).
- Meffert H., Burmann Ch., Koers M. (eds), *Markenmanagement. Mit Best Practice – Fallstudien*, Gabler, Wiesbaden 2002.
- Nowakowska J., *Czym jest dobra praktyka? Zasady i kryteria identyfikacji – Leaderorium*, 23.06.2015, <http://cdr112.e-kei.pl/leader/index.php/200-czym-jest-dobra-praktyka-zasady-i-kryteria-identyfikacji> (accessed: 6.11.2019).
- Osiadacz J., *Innowacje w sektorze usług – przewodnik po systematyce oraz przykłady dobrych praktyk*, Polska Agencja Rozwoju Przedsiębiorczości, Warszawa 2012.
- Rouse M., *Best Practice*, WhatIs.com, February 2007, 7, <https://searchsoftwarequality.techtarget.com/definition/best-practice> (accessed: 10.11.2019).
- Rupik K., *Najlepsze praktyki zarządzania w sektorze odzieżowym w kontekście współczesnych wymogów zarządzania*, [in:] T. Żabińska, L. Żabiński (eds), *Zarządzanie marketingowe. Koncepcje marketingu a praktyki zarządzania. Aspekty teoretyczne i badawcze*, Akademia Ekonomiczna w Katowicach, Katowice 2007, s. 160.
- Rutkowski K., *Zrozumieć fenomen najlepszych praktyk w logistyce i zarządzaniu łańcuchem dostaw*, "Gospodarka Materiałowa i Logistyka" 2006, no. 12, pp. 2–4.
- Sadun R., *Mała czarna zarządzania: niezbędne praktyki liderów*, <https://www.hbrp.pl/b/mala-czarna-zarzadzania-niezbedne-praktyki-liderow/ICYJaYxW> (accessed: 12.10.2019).
- Sierszeń A., *Standardy typu "best practice"*, <https://docplayer.pl/1654543-Standardy-typu-best-practice-artur-sierszen-asiersz-kis-p-lodz-pl-http-bzyczek-kis-p-lodz-pl.html> (accessed: 28.09.2019).
- Szczeblewska H., *Formularz zgłoszenia Dobrych Praktyk*, [in:] *Złota księga dobrych praktyk*, 2016, s. I.
- That Company, *What are Best Practices and Why are They Important?*, <https://www.thatcompany.com/what-are-best-practices-and-why-are-they-important> (accessed: 12.09.2019).
- Woodburn D., *Engaging Marketing in Performance Measurement*, "Measuring Business Excellence" 2004, vol. 8, no. 4.
- Zawistowski A., *Dobre praktyki a innowacyjność*, <https://www.log24.pl/artykuly/dobre-praktyki-a-innowacyjnosc> (accessed: 16.10.2019).