

Palladium Balanced Scorecard Hall of Fame for Executing Strategy Inducts Five High Performance Organizations at the 2011 Palladium EMEA Summit in London

*Abu Dhabi Food Control Authority, Akbank, Y K Almoayyed & Sons, Dubai Aluminium,
and Dubai Police Lauded for Breakthrough Performance Results*

LONDON AND BOSTON, MA – 8 JUNE 2011 – Palladium Group, Inc., the global leader in helping organizations solve their most pressing strategy execution challenges, today named five top-performing organizations to the Palladium Balanced Scorecard Hall of Fame for Executing Strategy®: Abu Dhabi Food Control Authority, Akbank, Y K Almoayyed & Sons, Dubai Aluminum, and Dubai Police.

The award recipients were honored for their breakthrough business results during today's Hall of Fame award presentation ceremony at the [2011 Palladium EMEA Summit](#) in London.

The Hall of Fame award honors organizations that have achieved execution excellence through the use of the Balanced Scorecard (BSC), the world's preeminent strategy and performance management system. The BSC is based on the simple premise that "what gets measured is what gets done." Created by Palladium Group co-founders Drs. Robert S. Kaplan and David P. Norton, the Balanced Scorecard links strategy to operations to drive business outcomes. A study published in the journal *Advances in Accounting* found that organizations "that adopt the BSC significantly outperform those that do not...over a three year period beginning with the year of adoption. These results provide strong evidence that the BSC is an effective strategic management tool that leads to improved shareholder returns."

The Balanced Scorecard is equally effective in driving results in government and not-for-profit organizations. A focus on performance is critical for any organization, especially during challenging economic times. "Organizations committed to creating value for their stakeholders—whether public or private—are continually challenged to deliver performance results," said Robert L. Howie, Jr., Chief Marketing Officer of Palladium and Director of the Hall of Fame program. "Organizations using the Palladium Kaplan-Norton strategy execution approach are more likely to achieve premium returns."

Founded in 2000, the [Palladium BSC Hall of Fame](#) program today has a roster of 158 honorees—including the FBI, Merck & Co., Hindustan Petroleum, Infosys Technologies, Millipore Corporation, Motorola, and Volkswagen do Brasil—that span private and public sectors in more than 20 countries. Winners are selected based on the quality of their BSC implementation and the results they demonstrate over a period of at least two years.

Abu Dhabi Food Control Authority

The Abu Dhabi Food Control Authority (ADFCA), which regulates agriculture and food quality across the Abu Dhabi Emirate, has three main objectives: Assuring food safety, securing the food supply, and promoting ecologically sustainable agriculture. To fulfill its mission of protecting consumers, it oversees some 30,000 farms & facilities that span the entire food chain. Since adopting the Palladium execution premium process (XPP) in 2008, ADFCA has

achieved a high degree of alignment—vertically and horizontally—and with the central government and external partners. In two years regulatory compliance has grown from 15% to 65%, trained employees from 9% to 52% and employee satisfaction from 18% to 57%, customer satisfaction from 18% to 90%, and the number of food borne illnesses reduced from 677 to 75. Says Rashed Al Shariqi, director general: “I would personally recommend BSC adoption down to the individual level in order to dramatically improve performance results.” Adds Khalifa Al Ali, executive director: “Our strategy management infrastructure is fully integrated with a performance management framework aligning corporate, business unit, and individual performance. The Kaplan Norton approach gives us a solid platform to leverage the best managerial practices and tools to translate our strategy into results.”

Akbank

Akbank adopted the Balanced Scorecard in 2008 as part of a strategic shift to position itself as an innovator and outdistance its competition. It chose four themes to do so: innovative market leadership (including the most admired bank and the most valuable brand), sustainable profit growth, operational and IT excellence, and superior talent and infrastructure. That strategy was executed, and executed well. Akbank has become Turkey’s leading bank and the most valuable company trading on the Istanbul Stock Exchange. Since adopting the BSC, net profit has increased 12%, customer satisfaction 30% and cross-sell ratio 40%. Cost to income ratio has been reduced by 6%, and voluntary top ranked employee turnover 60%. “As a result of implementing the BSC, our performance gaps came into sharper focus, and we were able to make better, more analytical decisions and take systematic actions,” says Ziya Akkurt, CEO. “Akbank ranked 1st in customer satisfaction, and the highest market cap in our sector. The BSC played a major role in this success, giving us the methodology to execute our strategy, align human capital, and focus on customers, processes, and infrastructure, and ensure the sustainability of our competitive position.”

Y K Almoayyed & Sons

One of the largest diversified corporations in Bahrain, Y K Almoayyed & Sons (YKA) distributes, sells, and services automobiles, heavy equipment, industrial & building systems, electronics and home appliances, furnishing and interior design. The company also operates in Oman, Qatar, and the United Arab Emirates. Adopting the BSC in 2004 in one of the automotive groups, today it is integral to corporate governance and strategy execution across strategic business units, functions such as marketing, sales, parts, and service, and shared services such as HR and IT. An office of strategy management provides a center of excellence and reporting on objectives, targets, measures, and initiatives. Strategy is directly linked to YKA’s performance management system. Revenue has increased 92%, net margin 50%, mystery shopping scores 22%, and customer satisfaction 8%. Employee attrition has fallen 35%. “Strategy maps and scorecards are cascaded from corporate to divisions to functions and ultimately to employees, who can relate their individual contribution to the overall strategy,” observes Alan James Guest, chief executive. Adds Mona Almoayyed, managing director: “Companies that concentrate only on profits tend to decline over time because they are not investing and focusing on the future. Since adopting the BSC, we’ve experienced significant growth.”

Dubai Aluminium

One of the world’s largest aluminium producers, state owned Dubai Aluminium (DUBAL) has set its sights to be the world’s best in results, production, markets, and people. It is the industrial flagship of the United Arab Emirates, serving more than 50 countries. The complexity of managing a large corporation led DUBAL to adopt the BSC in 2005 to focus on the most critical drivers of organizational performance. In a mature commodity business, and amid the global financial crisis in 2008-2009, DUBAL’s credit rating, EBITDA as a percentage of revenue, and

return on capital all exceeded its peers. Its smelters operate at 100% of capacity, with demand far exceeding supply. Over a four year period, sales increased 18%, debt to equity ratio fell 27% to 7%, and customer complaints fell 80%. “The Kaplan Norton approach to strategy execution was exactly what we needed to achieve our corporate vision,” says Abdulla Kalban, CEO. “It is now totally embedded in DUBAL’s culture and management framework—from strategy definition to budgeting to operations. The efficiency we have achieved has considerably shortened the time that would otherwise be spent in innumerable meetings, allowing us to deliver outstanding customer satisfaction and financial results.”

Dubai Police

The Dubai Police force is among the world’s most admired. With 15,000 employees, it is the UAE’s largest employer, and serves three million people comprised of more than 200 nationalities. Dubai Police were the first Arabic police force to apply DNA in criminal testing, global positioning system (GPS), community policing, and the first police force to establish a human rights department. Published performance standards—such as answering any call within 10 seconds (three rings)—is achieved 95% of the time. They adopted the BSC in 2007 as the heart of a strategic management system integrating vision, mission, and strategy with total quality management and internal processes. In the three years since adopting the BSC, serious crime has dropped 45%, road deaths 56%. Citizens’ feeling of security has increased while the cost of security per 100,000 people dropped 6%. Employee retention has improved 69%. “The Balanced Scorecard is the basis for our performance assessment both internally and externally,” says Major General Dr. Abdul Qudoos Al-Obaidi. “Our strategy management system—at the heart of which is the BSC—is being automated as part of our continual commitment to innovation and more effective communication. The results speak for themselves.”

About Palladium Group, Inc.

Palladium Group is the global leader in helping organizations solve their most pressing strategy execution challenges. We provide our clients with an integrated set of services—strategy and technology consulting, education, training, and certification—that deliver tangible results and enduring internal capabilities. The benefits of our approach are demonstrated through the Palladium Balanced Scorecard Hall of Fame for Executing Strategy® which recognizes organizations that have achieved premium returns through outstanding execution. Visit www.thepalladiumgroup.com.

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