

## **Palladium Balanced Scorecard Hall of Fame Inducts Four Leaders of Business Excellence at the 2009 Palladium Group Asia-Pacific (APAC) Summit**

*Dongwha Enterprises, Iloilo City, Kiwibank, and Korean Customs Service  
Lauded for Breakthrough Performance Results*

**JAKARTA and BOSTON, MA – 5 October 2009** – Palladium Group, Inc., the global leader in helping organizations execute their strategies by making better decisions, today named four top-performing organizations to the Palladium Balanced Scorecard Hall of Fame for Executing Strategy™: Dongwha Enterprises (South Korea), Iloilo City (the Philippines), Kiwibank (New Zealand), and the Korean Customs Service (South Korea). The award recipients were honored for their breakthrough business results during today's Hall of Fame award presentation ceremony at the [2009 Palladium Asia-Pacific \(APAC\) Summit](#) in Jakarta, Indonesia.

The Hall of Fame award honors organizations that have achieved business excellence through the use of the Balanced Scorecard (BSC), the world's preeminent 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 is also a performance management philosophy and system that links strategy to operations. The Balanced Scorecard continues to receive recognition as a strategic management tool that leads to improved shareholder returns. *Harvard Business Review* ranked the BSC among one of the most important business concepts in decades and Kaplan and Norton among the top management thinkers. This year, the pair's seminal *The Balanced Scorecard: Translating Strategy into Action* (Harvard Business Press, 1996) was cited as one of the 100 best business books of all time in the 2009 book of the same name.

"While the current global economic environment appears to be improving, many organizations, from private companies to government agencies, still face significant challenges," said Robert L. Howie Jr., Managing Director of Palladium and Director of the Hall of Fame program.

"Organizations using the Kaplan-Norton strategy management system are well-equipped in a nascent recovery to gain the kind of insights needed to capitalize on new opportunities, mitigate risk, and drive organizational performance."

Founded in 2000, the [BSC Hall of Fame](#) program today has a roster of 128 honorees that span the private and public sectors throughout more than 20 countries, including Hilton Hotels, Infosys Technologies, Motorola, Ricoh Corporation, and the Singapore Ministry of Manpower. Winners are selected based on the quality of their BSC implementation and the results they demonstrate over a period of at least two years.

### **Dongwha Enterprises**

Dongwha Enterprises is South Korea's leading forest products company, servicing the commercial and residential construction markets. It adopted the Balanced Scorecard to help forge a new vision, execute a strategy of operational excellence, and foster organizational alignment down to the individual employee level. An Office of Strategy Management—a key organizational function conceived by Drs. Kaplan and Norton—was established to coordinate the cross-functional business processes required for success. In the two years since adopting the BSC, Dongwha's revenues grew almost 25%, its operating profit more than 300%, and customer satisfaction 16%. Process innovation, factory utilization, and internal knowledge sharing also improved significantly. "I am confident that the BSC is and will remain the most important management methodology and tool for Dongwha," said CEO Kim Jong-Su. "The BSC performance management system is a critical factor in achieving company targets."

### **Iloilo City**

Iloilo City, a major center of the arts, culture, and sports, topped a survey by *MoneySense Magazine* as one of the "Best Place to Live in the Philippines." The Institute for Solidarity in Asia, an advocacy organization for good governance, partnered with the city in using the BSC to help improve public accountability and promote responsible citizenship and economic and social development. Since its adoption, citizen satisfaction has risen 15%, manufacturing capitalization has expanded fourfold, and National Achievement Test results in the city's public schools are up 20%. "The BSC has enabled us to clearly communicate strategy and align our workforce through a common language and shared objectives, measures, targets, and initiatives," said Mayor Jerry Treñas. "The process has helped make our city vibrant, well-governed, and prosperous, establishing a roadmap for Iloilo to achieve even more as a Premier City by 2015."

### **Kiwibank**

Kiwibank, the consumer banking subsidiary of New Zealand Post Group, is New Zealand's fastest-growing financial institution. Needing a management system to execute a new strategy of innovation led the bank to adopt the BSC. An Office of Strategy Management coordinates cross-functional "theme teams" to ensure organization-wide focus on the critical drivers of success. In two years, Kiwibank's market share has increased 35%, its net profit 70%, and its Net Promoter Score—a preeminent customer loyalty metric—hit 52%, the highest of any major New Zealand bank. "Since adopting the BSC, we have become better at implementing major change initiatives that affect the entire organization," said Sam Knowles, Acting CEO of the New Zealand Post Group. Adds Murray Wu, General Manager, Business Transformation of Kiwibank, "The BSC is critical to help us achieve our vision of being New Zealand's largest consumer bank by 2020."

### **Korean Customs Service**

The Korean Customs Service (KCS) adopted the Kaplan-Norton strategy management system in 2005 to more effectively allocate human and financial resources and drive organizational performance. KCS sought to clarify strategy, bolster performance, and optimize data to make better decisions. It also integrated the BSC framework with Six Sigma quality improvement approaches and the Experience Co-Creation customer experience methodology. In three years, KCS's revenue collection jumped 60%, the confiscation of illegal drugs grew 122%, and the percentage of employees who clearly understand the authority's strategy and their contribution to its execution skyrocketed from 31% to 94%. "Going forward, we should focus not only on the performance of KCS as an organization," notes Deputy Commissioner Sohn Byung-Jo, "but rather on how our performance impacts our nation and its citizenry."

### **About Palladium Group, Inc.**

Palladium Group is the global leader in helping organizations execute their strategies by making better decisions. Our expertise in strategy, risk, corporate performance management, and business intelligence helps clients achieve an execution premium. Our services include consulting, conferences, communities, training, and technology. Palladium's Balanced Scorecard Hall of Fame for Executing Strategy™, with a growing roster of more than 125 members, recognizes organizations worldwide that have achieved outstanding execution premiums. Visit [www.thepalladiumgroup.com](http://www.thepalladiumgroup.com)

**Media Contacts:**

Ashleigh Bloomstran  
Palladium Group, Inc. (North America)  
781.402.1277  
[abloomstran@thepalladiumgroup.com](mailto:abloomstran@thepalladiumgroup.com)

Nicole Bligh  
Palladium Group Asia Pacific  
+ 61.2.9994.8106  
[nbligh@thepalladiumgroup.com](mailto:nbligh@thepalladiumgroup.com)

Victor Sevillano  
Palladium Group Europe/Middle East/Africa  
+34 (630) 927.900  
[vsevillano@thepalladiumgroup.com](mailto:vsevillano@thepalladiumgroup.com)