

Why Balance Scorecard ?

- The initiative to implement the **Balanced Scorecard** came from the **top management** at its HQ in the Netherlands
- Need to shift focus from **high-volume business** to **high-value business**
- They realized they had to make operations
 - ❖ **Flexible**
 - ❖ **Innovative**

Implementation

- This led the Company to introduce a program called Business Excellence through Speed and Teamwork (BEST) in July 1999
- The Balanced Scorecard was one of the tools of the BEST
- There were four perspectives in Philips' Balanced Scorecard:
 - ❖ Competence
 - ❖ Processes
 - ❖ Customers
 - ❖ Finance