THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

Balanced Scorecard to Measure Organizational Performance: A Case Based Study

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Abstract:
Balanced Scorecard (BSC) helps organizations to streamline vision and strategy with business activities and measures actual organizational performance against preset goals .The balanced scorecard is one of the most popular approaches developed in the field of performance measurement. Currently, there is a great interest in performance measurement with many companies attempting to implement the balanced scorecard.
The purpose of this paper is to study the concept of Balanced Scorecard and its role in organizational performance. To illustrate the purpose of the paper an extensive literature review was done. The qualitative research methodology was taken by developing cases on Indian companies. Data was collected from the journals, articles, and company websites in order to understand the concepts of Balanced Scorecard and organizational performance. I, therefore, address conceptual matters as well as theoretical context. The cases were analyzed and compared to find that how different companies have adopted and used Balance score card to increase organizational performance. The analysis covers the approach to implement the Balanced Scorecard. The findings suggest that BSC as a tool is helpful to bring positive results to performance. However, the implementation of a balanced scorecard faces several obstacles. Limitation of the study is that the research findings cannot be generalized due to small sample size.

Keywords: *Concept of Balanced Scorecard, Performance measurement, implementation of Balanced Scorecard, Organizational performance*

1. Introduction

The way in which performance measurement are used can differ widely depending on their application. A several organization renovates them for competition. Performance measurement systems are also employed increasingly to develop an understanding about the competitive position of an organization within it business environment (Feure and Chaharbaghi,1995) . Nowadays organizations are facing gradually more informed and demanding customer and advanced shareholders due to the current emerging strong global competition which has changed the competitive environment from competition. In respect to this change, Kaplan and Norton (1992) introduced a concept called Balanced Scorecard, which is a valuable tool in transforming organizations. The Balanced Scorecard is a customer, process and performance development system, its primary focus on identifying and evaluating relevant performance measures. Neely *et al*. (2002) says that a performance system enables informed decisions to be made and actions to be taken because it quantifies the efficiency and effectiveness of past events through the collation, acquisition, sorting analysis and analysis of appropriate information. Studies on Balanced Scorecard focused on many firms have found that the Balanced Scorecard is a constructive tool for focusing and supporting their constant development efforts (Brewer, 2002; Gumbus & Lyron, 2002).
The purpose of this paper is to study the concept of Balanced Scorecard and its role in organizational performance. To achieve this objectives an extensive literature review was done. The qualitative research methodology was taken by developing cases on Indian companies. Data was collected from the journals, articles, and company websites in order to understand the concepts of Balanced Scorecard and organizational performance.

2. Review of Literature

During early 1980s several organizational management were persuaded that traditional measures of financial performance do not assist in effective management. Arguing that executives should track financial as well as non- financial metrics, Robert Kaplan and David Norton (1992a) in their first article “The Balanced Scorecard Measures That Drive Performance”, devised an organized Balanced Scorecard. They realized that although traditional financial performance measures worked well for the industrial era, but were providing to be insufficient in measuring the abilities and competencies essential for survival in changing economic environment. The Balanced scorecard (1992a, 1993, 1996a, 1996b, 1996c, 2000, 2001a) identifies the influence of non-financial factors upon strategic success and present advantages over historical performance measures. It is a set of measures that offers top managers a fast but comprehensive view of the business.

Neely *et: al.* (2002) describe that performance measurement is the procedure of quantifying the competence and achievement of past action. Through the years, the Balanced scorecard has evolved, from the performance measurement tool which was introduced by Kaplan and Norton (1992), that is a tool for implementing strategies (Kaplan and Norton, 1996) and a construction for determining the arrangement of organization's information, human and organization capital with its strategy(Kaplan and Norton,2004).

2.1 Concept Of Balanced Scorecard

Kaplan and Norton (1996c) described Balanced Scorecard as a framework that helps organizations translates strategy into operational objectives that drive both behavior and performance. The word balance in the term 'Balanced Scorecard' is inductive of the balanced consideration given to long and short- term objectives, financial and non –financial measures, leading and lagging indicators and external and internal performance perspectives(Kaplan & Norton, 1996b, 1996c; Hendricks *et: al.*,2004). The concept of the Balanced Scorecard was first presented in the early 1990s. Robert Kaplan and David Norton from Harvard Business School first presented the "Balanced Scorecard- Measures that Drive Performance", *Harvard Business Review,* January/February 1992.The Balanced Scorecard strategic management system is comprised of "a construction, core principles and processes that interpret an organization's mission and strategy into a comprehensive set of performance measures strategically aligned with initiatives" (Inamdar *et: al.* 2002, p.21).

Many companies are adopting the Balanced Scorecard as the foundation for their strategic organizational arrangement. Several managers have implement it as they support their businesses to new strategies, moving away from cost reduction and towards growth opportunities based on more customized, value-adding products and services (Martin-sons, Davison, & Tse, 1999).

A Balanced Scorecard is a format for describing the activities of an organization through a number of measures for each of the four perspectives .Business activity is described from four different perspectives, with a small number of actions for each. The description may refer to the businesses current performance or to its goals for the next period (Brown and McDonnell, 1995). BSC includes financial measures that tell the effects of actions already adopted. And it complements the financial measures with operational measures on customer satisfaction, internal processes and the organization's innovation and enhancement activities- operational measures that are the drivers of future financial performance (Kaplan and Norton, 1992).

2.2. *Perspective Of Balanced Scorecard*

The BSC (Kaplan & Norton, 1992) is a performance measurement framework to allow managers to look at their business performance from four performance perspectives – financial, customer, internal business and innovation and learning. The weight of each feature in balanced scorecard is an impact factor to evaluate performance.

Perspectives of Balanced Scorecard are Financial Perspective, Customer Perspective, Internal Business Process Perspective and Learning and Growth Perspective.

- **Financial Perspective:** It represents the long- term goal of the organizations- to provide superior re-turns based on the capital invested in the unit (Kaplan and Norton, 1996). Financial Measures, has been the traditional method of analyzing organizational success and involves such elements as profit-ability, sales growth, and revenue. Though the BSC focuses the need to integrate additional measures to establish achievement, the requirement for financial procedures is still an extremely strong element to determine success (Niven, 2002)
- **Customer Perspective:** Choosing measures for the Customer Perspective of the BSC depends on the type of customers desired and the value that the organization provides to them (Niven, 2002). The purpose of the Customer Perspective is to focus on the target customers. This will allow organizations to create strategies consistent with the type of customers they want to attract.
- **The Internal Process Perspective:** It entails the procedures that an organization must develop and master to be winning. Various organizations targeted on such elements as order processing, delivery, manufacturing, and product development as examples (Niven, 2002). The focal point of this perspective is related to the Customer Perspective because to keep customers satisfied, an organization will need to focus on the components of the organization important to them. If target customers are dissatisfied when delivery is overdue, organization must target on the internal process of developing a more efficient delivery system or refining the system currently used. To accomplish this, managers are undertaking a rigorous internal analysis not only assessing the internal processes of the organization, but reviewing innovation since global competition has decreased the amount of time organizations can bring their products to market to be successful (Bose & Thomas, 2007; Levy, 1998).
- **Learning and Growth Perspective:** According to Kaplan and Norton (1996b), this perspective is the backbone to a successful scorecard because it involves employee skills and information systems. Learning and Growth can include such issues as employee satisfaction, alignment of employee skills with jobs, number of employee proposal implemented, and hours of employee training. Depending on the actual employee skills and desired employee skills, some organizations change job descriptions, relocate employees to additional unit, and/or execute motivation programs planned to motivate employees to offer suggestions, receive learning or preparation, and/or gain tenure through continued employment (Niven, 2002).

2.3. Factors Influencing The Use Of Balanced Scorecard

The factors influencing the use of balanced scorecard can be grouped under two main heading as follows; organizational factors and the characteristics of the Individual managers. The managers' characteristics are further sub divided into three broad heading namely; how the other control system in their organizations affects their usage of BSC, their receptiveness to information from new accounting information system and how they evaluate their subordinate's i.e. do they more on financial or non – financial information in making judgments.

2.3.1 Organizational Factors

The balanced scorecard has been described in many ways. Some authors when discussing BSC refers to it as a performance management system (PMS), management control system (MCS). The factors that motivate implementation of such system at both the organization and the individual use level by the manager vary. Factors like size of the organization, market share and high turnover have been associated with the adoption of such system. According to Law and Nagi (2007) factors such as the skills of in- house IT staff, support from management, business process redesign and IT infrastructure compatibility have an impact on the adapted to BSC system because some companies integrate a BSC module in their ERP application.

2.3.2 The Individual Manager Characteristics

Wiersman (2009) identify some of the factors that motivate managers to adopt innovative management accounting techniques. These factors include: the receptiveness of the managers to new form of information, the other forms of control in use in the organization and the evaluation style of the managers, we shall examine how the characteristics of the managers affects their assessment to apply BSC. We inspect these variables along the position of the evaluative style of the managers (ESM) , their receptiveness to new information (MRI) and, how other control system (OCS) in the organization affects their decision to use BSC.

2.3.2.1 Evaluative Style Of The Managers (Esm)

According to Otley and Fakiolas (2000), the way managers evaluate subordinates also could serve as motivation for them to use BSC. Prior research has found out that the way managers evaluate subordinate affects the extent to which they use their management control system. Managers who put more value on non- financial information are expected to use the BSC more when evaluating their subordinates; since the BSC framework warrants that they consider both the financial and non- financial information before making decisions.

2.3.2.2 Managers Receptiveness To Information From New Sources (Mri)

How a manager perceives information from new MIS sources may influence the way they use the BSC. According to Wiersman (2009), managers who are receptive to information from new sources of accounting information systems will most likely use BSC more than those that are not. Also, Baird , Harrison and Reeve (2004) further argue that managers who are more innovative and open to new ideas are more susceptible to use information from new Management Accounting System (MAS) such as BSC or activity based costing system.

2.3.2.3 Other Control Systems Used In The Organization (Ocs)

Most organizations use a package of control systems. We shall examine how other control systems in the organization impact the use of the BSC by the manager. Management control system (MCS) are define as: a general system in an organization by which managers in the organization influence the other members of the organization to implement the organization's strategies (Otely 1999) . According to Sandelin (2008), BSC is a result control mechanism that is used alongside other controls; action control, personal and intellectual control. Action control puts in position, policy and actions to guide employee actions while, Personal and / or cultural control on the other hand focuses on selecting the right employees to achieve high performance impact.

3. Balanced Scorecard and Organizational Performance

The most compelling question is that whether the implementation of Balanced Scorecard actually enhances company profitability. It has been suggested that companies adopting performance measurement system would improve their corporate performance (Buhaovac & Slapnicar, 2007).

There is some evidence that non- financial performance measures are positively associated with performance (Abernethy & Lillis, 1995;Ittner & Larcker, 1995, 1997; Chenhall, 1997; Perera et al. , 1997; Ittner et al., 2003; Kaynak, 2003; Said et al., 2003; Davis & Albright, 2004).In India, there are about 40-50 companies that follow the Balanced Scorecard and some of these are Castrollndia Ltd., Godgrej, RPG, Bbarti, Dr. Reddy Labs, The Tata's, lCICl Bank Ltd., Taj Group, Batliboi , India Hotels, etc.

4. Measure Performance through Balanced Scorecard

The task of evaluating performance using the BSC has been characterized as both complex and ambiguous (Lipe and Salterio, 2000, 2002, p. 532; Merchant, 2006). Non-financial performance measures are potentially more loud, personal, and uncertain than traditional financial measures (Ittner and Larcker, 2003).

Determining appropriate weights for nonfinancial measures is challenging because of validity and reliability concerns (Luft, 2009), and field research reports instances where weights on nonfinancial measures have been significantly reduced in part because of reliability concerns (Ittner et al., 2003; Malina and Selto, 2001). Often, evaluators will assign their own weights to

these performance measures in arriving at overall evaluations (Ittner et al., 2003). Moreover, the cognitive endeavor required to assimilate multiple measures from the four BSC perspectives adds to the challenge of effectively employing the BSC.
Lipe and Salterio (2002, p. 533) suggest that evaluators will use a 'divide and defeat' approach, evaluating actions by the help of the four perspectives and then determining an overall evaluation, as a strategy for managing the cognitive task. Moers (2005) discusses additional concerns with the use of multiple performance measures systems, such as the BSC, for performance evaluations. His empirical study indicates that (1) performance measure diversity leads to more lenient performance ratings and less differentiation among employees; and (2) more subjectivity lead to compressed and higher ratings.
Since ambiguity has been identified as a moderator in the relationship between implicit attitudes and behaviors (Chugh, 2004), the ambiguity produced through the measurement and cognitive challenges of the BSC increases the possibilities that the BSC enables implicit biases to affect performance evaluations. Racial prejudice – implicit or explicit – certainly influences a ubiquitous domain of moral, social, and political scope of existence. In this study, such influences are directed squarely at the identity of employees: the overriding purpose of performance evaluation is to evaluate a person and thus to participate in the construction of that person's economic and organizational identity.
In addition, the financial, customer, internal business processes, and learning and growth dimensions of the BSC include measures with varying degrees of validity and consistency. There is prospective for inherent biases to surface to different extents across the four dimensions as well as in overall performance evaluation and reward decisions, largely due to differences in the decision-space associated with evaluator subjectivity across the four magnitudes. One's prejudice can, for example, implant itself more simply in a conversation of "learning" than it can in an algorithm of "financial performance." Further, as discussed in McKay and McDaniel (2006), the nature of measures within the four BSC perspectives may lend themselves more to cognitive versus personality burdened criteria. Remember that cognitive criteria were established to be more influential as moderators of black-white mean differences in performance.

5. Balanced Scorecard in Variours Sectors

5.1 Health Care Sector

The health care industry faces considerable strategic challenges and strong pressure to be more responsive to customers, demands by improving quality and efficiency (Chow et al., 1998; Kocakullah & Austill, 2007; Lorden et al., 2008). This situation entails additional demands on a hospital's information- processing capabilities (Chow et al., 1998) because traditional performance measurement and management control systems lack abilities to meet multiple strategic objectives (Zinn et al., 2006; Lorden et al., 2008).
Kocakulah and Austill (2007) highlighted the various reasons for healthcare organizations to adopt Balanced Scorecard. They also highlighted various issues faced by health care industry such as cost containment, performance management, effectiveness and potential changes. The authors suggested that Balanced Scorecards are particularly applicable to hospitals, clinics and health care companies. To achieve the ultimate Balanced Scorecard in a healthcare organization, Bloomquist and Yeager (2008) proposed certain lesion: 'be flexible' , ' be consistent' , 'be clear' , 'be open' , ' be efficient' , 'be inclusive' , and 'be systematic'.

5.2 Education Sector

Replacing customer with student and academic interpretation of the other three perspectives organize the Balanced Scorecard for universities. The mainstream of colleges and universities has a mission or a vision statement that sets out in broad terms the goals of institution. Within the context of these objectives, the institution must decide the target (Dorweiler & Yakhou, 2005). Studies reveal that colleges and universities use Balanced Scorecard to develop frameworks for measuring institutional effectiveness on the macro -level (Ruben, 1999; Karathanos & Karathanos, 2005). Balanced Scorecard provides university administrators with a measurement system that is not only linked to mission and strategy, but also a learning model that maintains continuous improvement and environmental responsiveness.

5.3 Hospitality Sector

The use of Balanced Scorecard in hotels stimulates its use within the hotel sector (Brabder- Brown & Mc Donnell, 1995). The description of the Balanced Scorecard in Hilton Hotel by Huckstein and Duboff (1999) and Denton and White (2000) contributed to very few publications on the practical aspects of the Balanced Scorecard.
Huckstein and Duboff (1999) used a case study in order to examine the exercise of the Balanced Scorecard approach delivering consistent value for its stakeholders. The findings of the study were communicated in a simple and effective manner using green, yellow and red rubrics. Denton and White (2000) also used a case study approach to highlight how the use of Balanced Scorecard as a strategic control tool in the United States hotel sector (Cobbold &Lawrie, 2002).

6. Objective of the Study

- To study the concept of Balanced Scorecard.
- To understand its role in organizational performance.

7. Methodology

A thorough analysis of the literature was done to identify the concept of Balance scorecard and its role in improving organizational performance. For validating the concept of balance scorecard case studies are developed in Indian context. Data was gathered from secondary sources that are from the articles, journals, and company websites to in order to recognize the concept of Balanced Scorecard and organizational performance. The cases were analyzed and compared to find that how different companies have adopted and used Balance score card to increase organizational performance. The analysis covers the approach to implement the Balanced Scorecard.

8. Case Study

8.1. Infosys

8.1.1. Infosys Balanced Scorecard

Infosys Technologies Ltd., one of the world's top IT companies implemented the Balanced Scorecard. Explaining the rationale for implementing the Balanced Scorecard at Infosys Girish Vaidya (head, banking business unit, Infosys) define "we do not want to be seen as a function –focused organization focusing only on economic targets. It is consequently vital that a holistic approach towards implementing strategy be adopted since in an organization every function is important and no role is less significant that the other".

8.1.2. Requirement of Balanced Scorecard

Infosys used this Balanced Scorecard tool to analyze their regular monthly review process which will enable them to keep track of their progress and initiate corrective action.Infosys was lauded for its focus and success in driving the execution of key strategies resulting in growth and differentiation Infosys designed a scorecard, which consists of four perspectives like Kaplan & Norton, but they designed it as per their requirement and were awarded as one of the company with good results.. The five key principles are: Motivating to make strategy everyone's job, mobilizing change through executive leadership, Translating strategy into operational terms, governing to make strategy a continual process and Aligning the organization around its strategy.

8.1.3. Why Infosys implemented Balanced Scorecard

An Infosys technology has implemented Balanced Scorecard in order to track the progress of its various initiatives and to measure the impact on the organization's growth and profitability. The underlying philosophy behind using BSC in measuring performance was to follow a holistic approach towards implementing strategy since in an organization every function is important and no one role is less significant than the other. The Balanced Scorecard is a concept which entails establishment of the strategic objectives and a measurement system which not only focuses on financial measures but also non- financial measures. (rediff.com October,2002). Following are the Infosys balanced scorecard perspective.

- Financial perspective: Achieve Profitable Growth
- Customer perspective: Improve Customers Satisfaction
- Internal process perspectives: Product Rationalization Product Development
- Learning and growth perspective: Create a Culture of High Performance and Team Based Working

8.1.4. Benefits of Balanced Scorecard

The major benefits derived by Infosys Technologies Ltd. by implementing a BSC framework include the following:

- Assist communication across the entire organization and enhances the understanding of the vision, mission, and strategy of the organization.
- Ties the vision, mission, and strategy to the goals and objectives of individuals and departments concerned.
- Facilitates a clear understanding for the reasons and helps identify initiatives to achieve the relevant performance, if an objective is not attained.
- Acts as an effective basis for resource allocation with focus on both managing current performance as well as long-term value.

INFOSYS BALANCED SCORECARD			
FINANCIAL	**CUSTOMER**	**INTERNAL PROCESS**	**LEARNING & GROWTH**
Attain World Class Cost Competitiveness	Improve Customers Satisfaction	Product Rationalization and Product Development	Create A Culture of High Performance and Team Based Working

Figure 1: Infosys Balanced Scorecard
Source: Sanjay Purohit and, Indranil Mukherjee (2002)

8.2. Philips Electronics

8.2.1. Philips Balanced Scorecard

Philips Electronics is a large multinational company, which has used the balanced scorecard to streamline its complex process and structure. The Philips Electronics balanced scorecard has three Intensity. The main is the strategy review card, next is the operations review card, and the third is the business unit card. In addition, the plan is to implement another level of the card—the individual employee card—in 2003.

8.2.2. Requirement of Balanced Scorecard

Balanced scorecard is required in a company to aligning its vision at all levels, making employees aware of its strategy and vision and educating them about the outcome drivers of the business success. It communicates the role and relationship of the driver of success with vision and strategy.

8.2.3. Implementation of Balanced Scorecard

Philips' underlying belief in creating their balanced scorecard is that understanding what drives present performance is the basis for determining how to achieve prospect outcome. With this indulgent in mind, Philips Electronics planned the scorecard to offer a shared understanding of the organization's strategic policies and vision of the prospect. Their working opinion in the plan was to determine factors that were critical for achieving the company's strategic goals.

The tool has helped Philips Electronics focus on factors critical for their business success and align hundreds of indicators that measure their markets, operations, and laboratories. The company variables crucial for creating importance, which are known as the four critical success factors (CSFs) of the Philips Electronics Balanced Scorecard, are:

- **Financial** (value, growth, and productivity).
- **Customers** (value propositions), and
- **Processes** (drivers for performance),
- **Competence** (understanding, expertise, management, and collaboration)

Here's how these critical success factors came to life at the company.

Top-level scorecard criteria are the driving determinant for lower-level scorecard criteria. Philips required making inherent assumptions about the way the business creates value explicitly through CSFs. In other words, the objective was to interpret assumed relationships such as customer satisfaction and product sales into critical success factors to determine performance. To do so, they recognized which financial and customer CSFs give a viable edge, and then they resolute the method CSFs that have the greatest impact on the financial and customer CSFs giving the company that edge. Competence CSFs convey compulsory process, customer, and financial outcome.

To express the strategy in considerable objectives, the panel recognized a performance management system that measures progress toward the commercial vision. This coordination links short-term measures with long-term strategy so employees understand how their day-to-day activities help achieve the company's stated goals.

In order to focus employees on the few vital goals and companies priorities, the BSC cascades down all over the organization. Top executive primarily deployed the BSC by setting annual set targets, which were brought down through organizational layers as goals for the divisions worldwide and objectives at the company unit level. By deploying top-level CSFs throughout the organization, purpose can be obviously associated to the company strategy as well as to all employees. Cascade purpose

8.2.4. The Balanced Scorecard at Work in the Business Units

At the business unit level, critical success factors were developed for each of the four perspectives of the card - financial, customers, processes and competence they recognized strategy for the deployment of CSFs at lower levels in the company, stating that departments must pick CSFs for which the department has a major control liability. These CSFs—key BSC indicators—observe the implementation of the business strategy. The next step was for each business unit to determine key indicators at the business unit level that measure critical success factors. Assumptions about interaction among processes and results were quantified and performance drivers determined.

Targets were then set based on the gap between present performance and desired performance for the current year plus two and four years in the future. The criteria: Targets must be measurable, specific, realistic, ambitious, and time-phased. Targets are originated from an analysis of customer base, market size, innovation capability, brand equity and world-class performance.

Examples of indicators at the company unit stage include:

- FINANCIAL PERSPECTIVE: Economic profit realized, income from operations, working capital, operational cash flow, and inventory turns.
- CUSTOMER PERSPECTIVE: Rank in customer survey, market share, repeated order rate, complaints, brand index
- INTERNAL PROCESS PERSPECTIVE: Percentage reduction in process cycle time, Number of engineering changes, capacity utilization, order response time, process capability.
- LEARNING AND GROWTH PERSPECTIVE: Leadership competence, Percentage of patent- protected turnover, Training days per employee, Quality improvement team participation.

In cascading the card down from the organizational level to the company unit stage, six key indicators always came to the forefront for all business units:

- Profitable revenue growth,
- Customer delight,
- Employee satisfaction,
- Drive to operational excellence,
- Organizational development,
- IT supports.

These six key drivers relate to each other as well as to the balanced scorecard's four critical success factors. Development in an Organization and IT support drive the competence perspective; customer delight and employee satisfaction drive the customer perspective; operational excellence drives the process perspective; and profitable revenue growth drives the financial perspective.

And each perspective of the Balanced Scorecard is used as the reporting format for the review of each business unit's performance.

8.2.5. Benefits of Balanced Scorecard

- BSC helps to replace the monthly accountability calls to the field office where sales are reported against forecasted numbers
- The balanced scorecard enables employees to understand exactly what they need to do on a daily basis in order to impact results.
- The balanced scorecard's primary strength is gaining the commitment and participation of management and employees regarding company objectives.

PHILIPS ELECTRONICS BALANCED SCORE

Financial	**Customer**	**Internal Process**	**Learning &Growth**
sEconomic Profit – Realized	Percentage Reduction in process cycle time	Rank in customer survey	Leadership competence
Income from Operations	Number of Engineering changes	Repeat order rate	Percentage of patent protected turnover
Working capital	Capacity utilization	Complaints	Training days per employee
Operational Cash Flows	Process capability	Brand index	Quality improvement team participation
Inventory Turns			

Figure 2: Balanced Scorecard of Philips Electronics
***Source : Gumbus Andra and Lyons Bridget (2002)*

9. Analysis and Interpetation

The below mentioned companies follow the "**Balanced Scorecard"** as a performance measurement tool.

BALANCED SCORECARD				
LISTOF COMPANIES	**FINANCIAL PERSPECTIVE**	**CUSTOMER PERSPECTIVE**	**INTERNAL PROCESS PERSPECTIVE**	**LEARNING & GROWTH PERSPECTIVE**
INFOSYS	Achieve Profitable Growth	Improve Customer Satisfaction	Product Rationalization & Product Development	Create a Culture of High Performance and Team Based Working
PHILIPS ELECTRONICS	value, growth, and productivity	Value propositions	drivers for performance	understanding, expertise, management, and collaboration

Figure 3: Comparing Infosys and Philips Electronics Balanced Scorecard
Source: By Researcher

The company implemented Balanced Scorecard as a strategic tool which represents an opportunity for management team to align their company to the strategic intent. Infosys technologies implemented balanced scorecard to track the progress of its various initiatives and to measure the impact on the organization's growth and profitability. While Philips Electronics implemented Balanced Scorecard to align their company vision and interacted with employees on how they fit into the immense depiction, and train them soon what drives the business. The findings suggest that Balanced Scorecard as a tool is helpful to bring positive results to performance.

10. Conclusion

The Balanced Scorecard is both a performance measurement and management tool that enables the organizations to clarify their vision and strategy and translate them into achievement. It focuses both the financial and non-financial aspects of a company's strategy and discusses cause and effect relationship that drives business achievement. The companies Infosys Technologies and Philips Electronics both implemented Balanced Scorecard for translating their strategy into action as well as aligning their operations totally to their business strategy and translate their mission and vision into reality.

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