

Workshop: Making Finance Agile

DevOps Enterprise Summit 2018
Las Vegas

Beyond
Budgeting™
North America

Introducing your Speakers



Steve Player
Director,
BBRT North America
Managing Director,
Live Future Ready

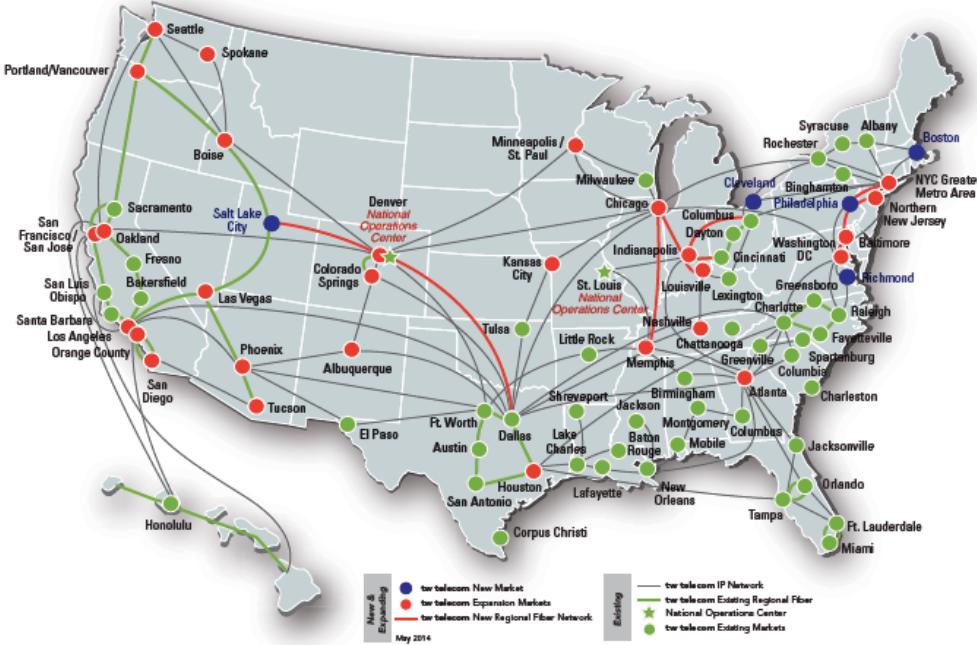
- Steve Player serves as the North America Program Director for the Beyond Budgeting Round Table (BBRT) and works with BBRT member companies to implement continuous planning processes.
- He has over 30 years experience with improving performance management and implementing strategic planning processes. He is also the Managing Director of Beyond EPS Advisors, a Business consulting firm, and founder of Live Future Ready.
- He is the co-author of *Future Ready: How to Master Business Forecasting and Beyond Performance Management* as well as five other books. He writes the “Finance Transformation” column for Business Finance Magazine featuring CFO interviews from leading organizations on innovative finance and planning processes.



Nevine White
Executive in Residence,
formerly VP FP&A, tw telecom

- Nevine White speaks from her experience to educate and enable business leaders in all aspects of strategy and deployment for best-practice, enterprise-wide financial planning, forecasting, and analysis, to drive meaningful changes in planning processes and an empowerment culture that will lead to improved performance.
- During her last 10 years leading a corporate FP&A function, Nevine lived the development, implementation, and operation of the most innovative processes in Beyond Budgeting™.
- Nevine holds a Finance MBA and Bachelor's degree in Electronics Engineering Technology. She is a former Financial (FP&A) professional with tw telecom (now Level 3 Communications) and has 25+ combined years of experience in the finance and telecommunications arenas.

tw telecom: A Powerful Nationwide Network



REVENUE:
\$1.6 Billion

M-EBITDA:
35%

29,500 customers



20,800 on-net, fiber connected buildings

BROOMFIELD, Colo., Oct. 31, 2014 – Level (3)
Communications, Inc. (NYSE: LVLT) announced it completed its acquisition of tw telecom.

An Industry in Transition

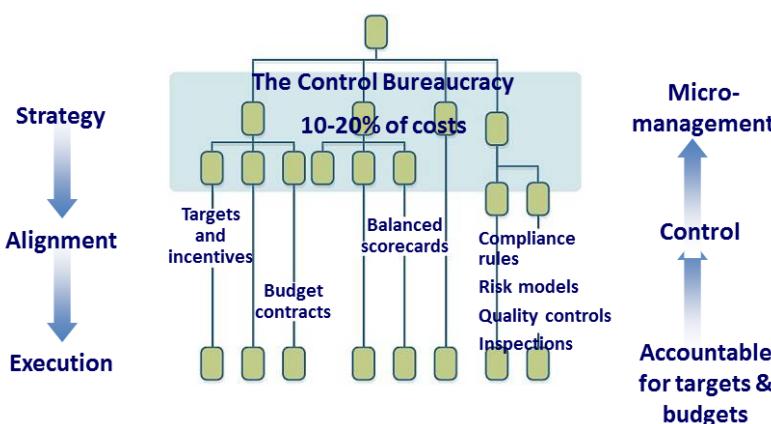


Telecom 2.0
Software-centric

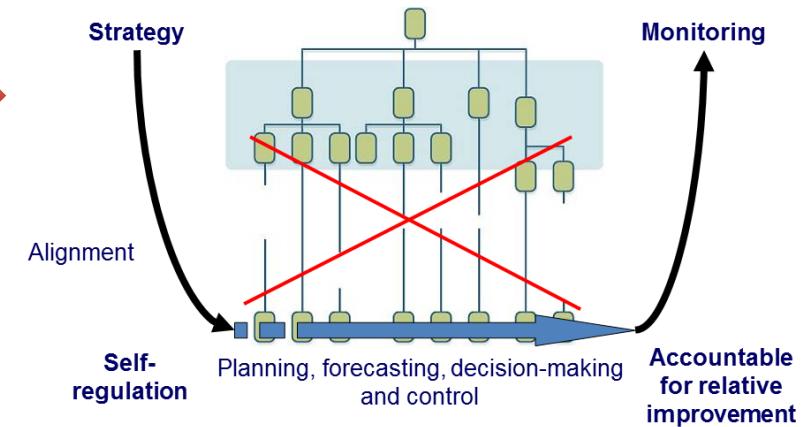
Hard-asset
infrastructure
business

Design Coordination into the System

“Make & Sell” Push



“Sense & Respond” Pull



Upgrading to real rolling forecasts

Shifting to continuous monitoring



- Fast KPIs & trends
- Nature & Frequency of Demand
- Rolling Forecasts
- Peer Comparisons

"Fund activities,
not budgets"

12 Beyond Budgeting Principles

Change in leadership

Governance & transparency

1. **Values** – Bind people to a common cause; **not to a central plan**
2. **Governance** – Govern through shared values and sound judgement; **not detailed rules and regulations**

3. **Transparency** - Make information open and transparent; **don't restrict and control it**

Accountable teams

4. **Teams** - Organize around a seamless network of accountable teams; **not around centralized functions**

5. **Trust** – Trust teams to regulate and improve their performance; **don't micro-manage them**

6. **Accountability** – Base accountability on holistic criteria and peer reviews; **not on hierarchical relationships**

Change in processes

Goals & rewards

7. **Goals** – Set ambitious medium-term goals; **not short-term fixed targets**
8. **Rewards** – Base rewards on relative performance; **not on meeting fixed targets**

Planning & Controls

9. **Planning** - Make planning a continuous and inclusive process; **not a top-down annual event**

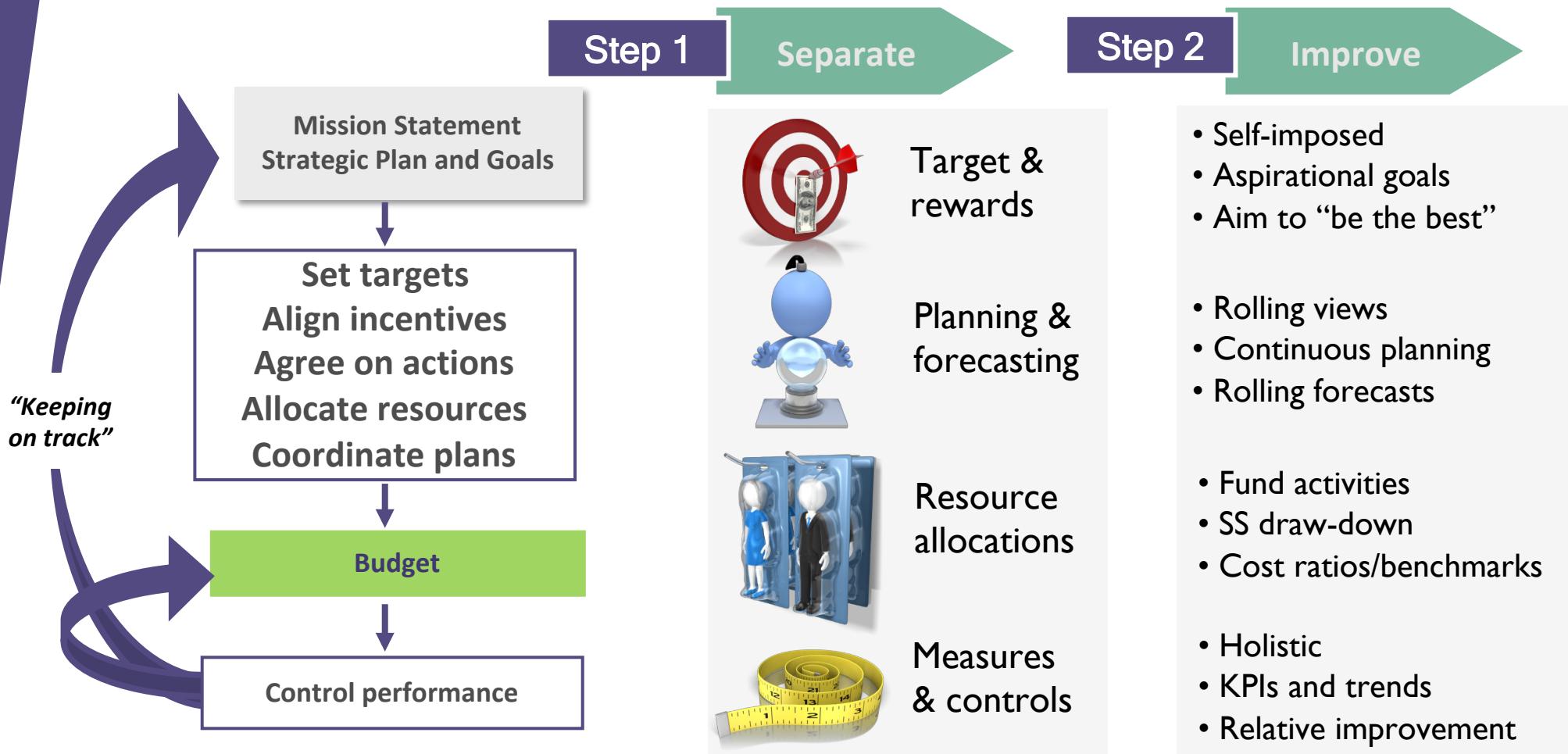
10. **Coordination** - Coordinate interactions dynamically; **not through annual budgets and planning cycles**

11. **Resources** - Make resources available as needed; **not through annual budget allocations**

12. **Controls** - Base controls on fast, frequent feedback; **not on budget variances**

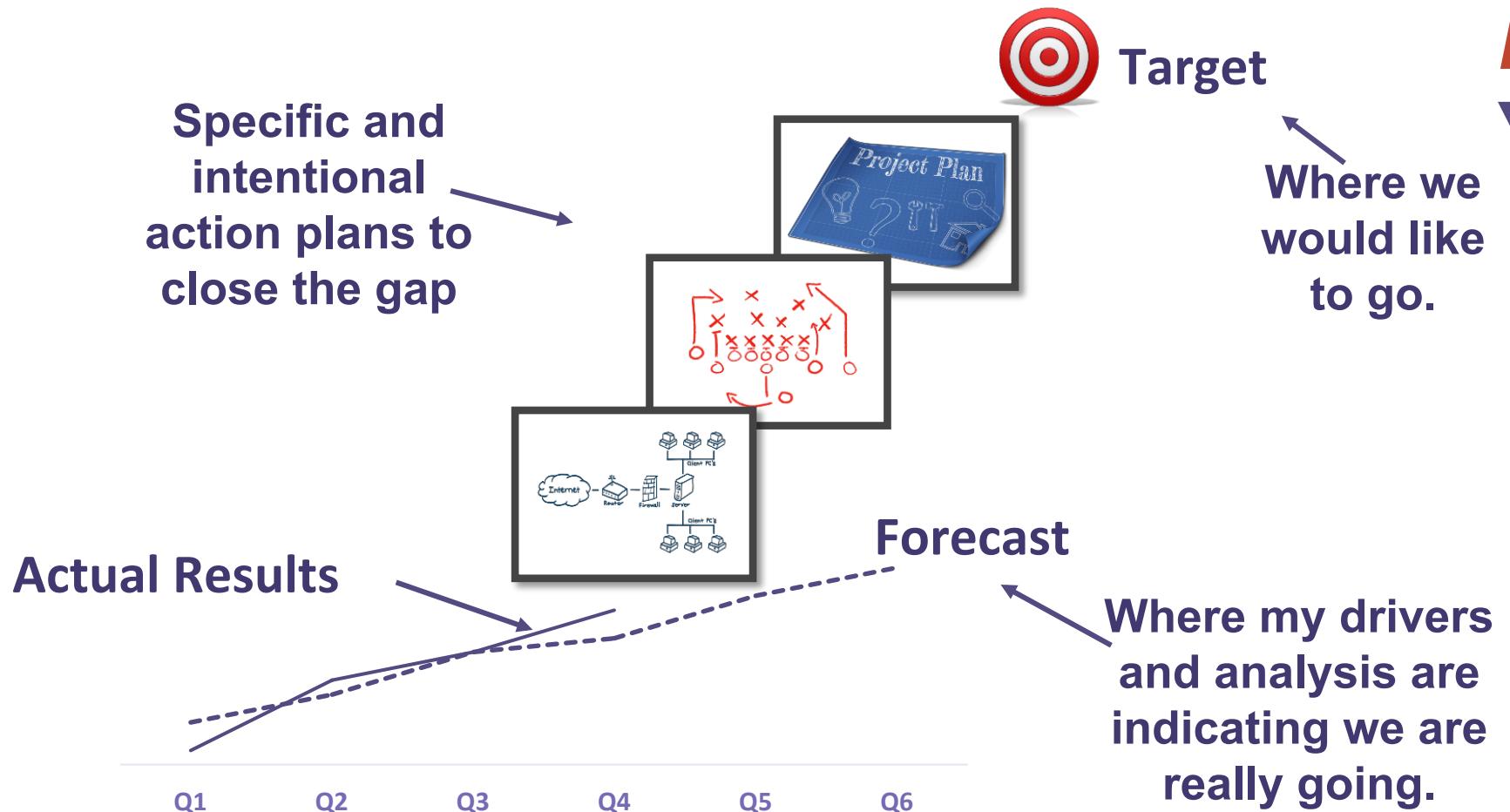
Source: *The Leader's Dilemma*, Hope, Bunce, and Röösli (2011, John Wiley & Sons)

Unravel budget purposes to become more effective



SOURCE: Adapted from *Implementing Beyond Budgeting*, Bogsnes, (2016, Wiley)

Forecast vs. Target



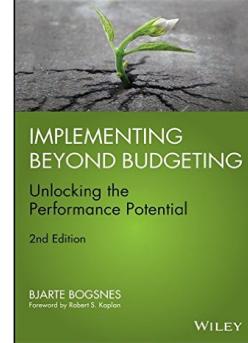
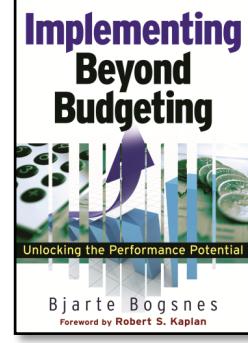
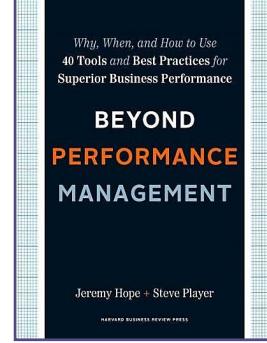
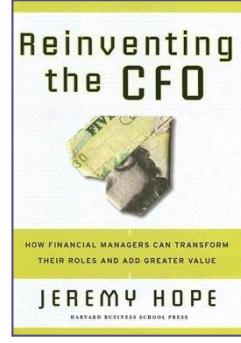
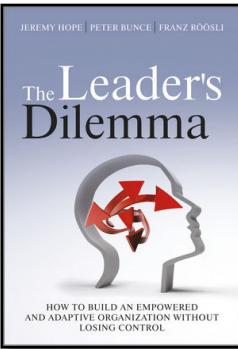
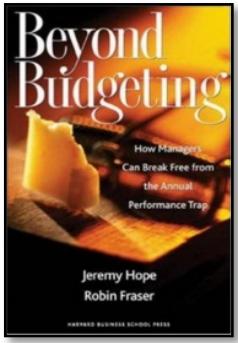
Others on the Journey

Handelsbanken

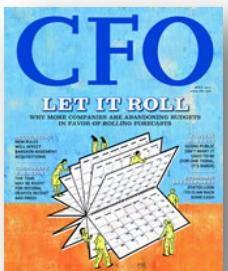


Beyond Budgeting in Print

Books



Articles



Beyond
Budgeting™
North America

How can we help each other?

What issues are you running into with your Finance team?

What resources would be useful to improve communication?

How can we help you work more effectively with your Finance team?

info@livefutureready.com

214.239.0155



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